

 Click to Print[SAVE THIS](#) | [EMAIL THIS](#) | [Close](#)[Home](#) » [News](#) » [Politics](#) Politics

Rising cigarette taxes could push more smokers to quit

Another state increase proposed as federal tax jumps

By [Stacy Forster](#) of the Journal Sentinel

Posted: Apr. 5, 2009

Madison - For years, Lila Wald has tried to stop smoking. Nothing - not nicotine patches, not hypnosis - has worked.

But rising cigarette taxes might finally do the trick, because it's getting too expensive on her fixed income, said Wald, of Arkdale.

"I try not to smoke that many, but I'm not going to smoke at all I guess," she said.

Smokers are dealing with a 62-cent increase in the federal cigarette tax that took effect last week, and are bracing for another potential bump.

The budget proposed by Gov. Jim Doyle includes a 75-cent-a-pack increase, which would take the state tax to \$2.52 a pack - one of the highest in the nation. The previous budget raised the state's cigarette tax by \$1, to \$1.77 a pack, on Jan. 1, 2008.

Doyle said the further increase is necessary to prevent young people from picking up the habit and to encourage smokers to kick it. Treating smoking-related illnesses costs state health care programs \$480 million a year, said state Department of Health Services Secretary Karen Timberlake.

"It's been proven over and over again that the most effective method of reducing smoking, and particularly reducing teenagers starting to smoke, is increases in price," Doyle said.

Wisconsin's adult smoking rate reached an all-time low in 2007, with 19.6% of adults smoking, compared with 20% in 2006. The smoking rate was expected to drop by 33,000 adults in 2008 after the \$1-per-pack cigarette tax increase took effect, according to projections from the Campaign for Tobacco-Free Kids.

Timberlake said the decline in smoking rates was due to the combination of increased taxes and more smoke-free ordinances around the state. Doyle and other state officials and lawmakers continue to push for a statewide workplace smoking ban.

There were nearly 40,700 calls to the state quit line in 2008, close to a threefold increase from nearly 14,000 calls in 2007.

"That's exactly what we wanted to see," said Aaron Doeppers, director of the Midwest region for the Campaign for Tobacco-Free Kids.

Smokers wonder, however, how the state will make up for lost revenue if more and more people quit smoking.

Blow to pocketbook

The \$1-per-pack increase caused a significant decline in business at Discount Cigarettes & Liquor in Franklin. Owner Scott Haese said sales dropped off about 30% as a result, and he could be forced to cut two employees if the 75-cent bump becomes law.

Smokers are increasingly frustrated at being seen as a "never-ending money pit," Haese said.

"People are only going to take so much," Haese said.

Rep. Robin Vos (R-Racine) questioned whether the increase would have the intended effect. Those who want to quit smoking will buy cigarettes elsewhere, such as over the Internet or across the border in states where taxes are lower, he said.

"You get to a point where you have diminishing returns and people resort to other means, we don't collect the tax, and people keep smoking," he said.

The state saw an expected increase in cigarette tax collections after the \$1 increase. Wisconsin brought in \$455.7 million in cigarette taxes in the fiscal year that ended June 30, 2008, compared with \$296.1 million the year earlier.

The 75-cent increase is expected to bring in an additional \$310 million in state taxes over the next two-year budget.

Some smokers won't quit no matter what the price.

Temporary quitters

Juanita Weed of Hartland said many smokers vow to stop but soon pick it up again.

"I won't lie to myself and say, 'I'm going to quit,' " she said. "In reality, I probably won't, and I'll just cut back on something else."

Cigarettes make up about one-third of sales at Open Pantry's 26 stores in Wisconsin, said Open Pantry president and chief executive officer Robert Buhler. But sales dropped about 14% after the \$1-a-pack increase in 2008 - and aren't likely to come back, he said.

"That's a big hit," Buhler said.

The federal tax increase, coupled with the proposed 75-cent state tax increase, could mean another 17,000 adults would quit smoking, the Campaign for Tobacco-Free Kids has estimated.

One of them could be Neil Luedtke of Oconomowoc. The pack he recently bought for \$6.73 could be his last,

he said.

"This is ridiculous now," he said of the price.

Some smokers are frustrated that Doyle and lawmakers would seek another state cigarette tax increase just a year after the last one took effect.

Gail Hanson of Phelps said she feels smokers are being unfairly targeted. Instead, Doyle and lawmakers should consider taxing other products, such as alcohol, she said.

"I know it's not healthy, it's very expensive," said Hanson of her 40-year habit. "I know I shouldn't smoke, but I do."

Find this article at:

<http://www.jsonline.com/news/statepolitics/42506137.html>



[SAVE THIS](#) | [EMAIL THIS](#) | [Close](#)

Check the box to include the list of links referenced in the article.