

Testimony of the Kansas Health Consumers Coalition  
Regarding HB 2737: Increasing the Rate of Taxation on Cigarettes and Tobacco Products  
Presented to the House Committee on Taxation  
Submitted by Corrie Edwards  
February 8, 2008

Thank you Chairman Wilk for the opportunity to speak today in support of HB 2737, a proposal to increase Kansas tobacco taxes. My name is Corrie Edwards and I am the Executive Director of Kansas Health Consumer Coalition (KHCC) based in Topeka. The Coalition works to advocate for affordable, accessible and quality health care in Kansas. I would like to address the regressivity argument brought up yesterday.

In general, cigarette taxes are regressive – on average, low-income taxpayers pay more of their income in these taxes than upper-income families. However, the harms from smoking are regressive as well. Lower-income families already suffer disproportionately from smoking-caused disease, disability, death, and costs.

After a tax increase, lower income people tend to quit, reduce their smoking, or switch to cheaper brands. Low income smokers end up paying a lower proportion of their income to tobacco taxes after a tax increase. Because fewer upper income people quit smoking after a tax increase, the proportion of personal income devoted to tobacco among upper income people remains approximately the same. Since the proportion of income devoted to tobacco is lowered among low income people, but stays the same among upper income people, the tax becomes less regressive.

Raising cigarette taxes, by getting more lower-income smokers to quit and cutback, will reduce those regressive harms and costs.

Higher smoking rates among lower-income groups means they are now suffering the most from smoking and will, consequently, benefit the most from any effective new measures to reduce smoking, including increased state tobacco taxes.

If we can use the tax increase to expand services to low-income smokers, more will get tobacco treatment provided through the Medicaid program.

Cigarette tax increases, offer one of the best ways to help low-income families who are currently suffering from direct and secondhand smoking, they can escape the smoking-caused health risks, disease, and related costs. These smokers and their families will be much more likely to have those harms and costs eliminated or reduced by a cigarette tax increase. Those cost reductions will also have a more powerful and beneficial impact on the financial health of lower-income families.

It is only a matter of time before Kansas takes action to face the reality that we must be more aggressive to discourage use of tobacco. You can't effectively address this concern by avoiding a tobacco tax. We have one of the lowest tobacco taxes in the nation. The time to take action is sooner rather than later.

The Kansas Health Consumer Coalition urges you to support HB 2737. Thank you for considering this testimony.

Respectfully submitted,

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