

# Tobacco Taxes Support a Healthy Future for New Mexico

Support HB 167 and SB 197

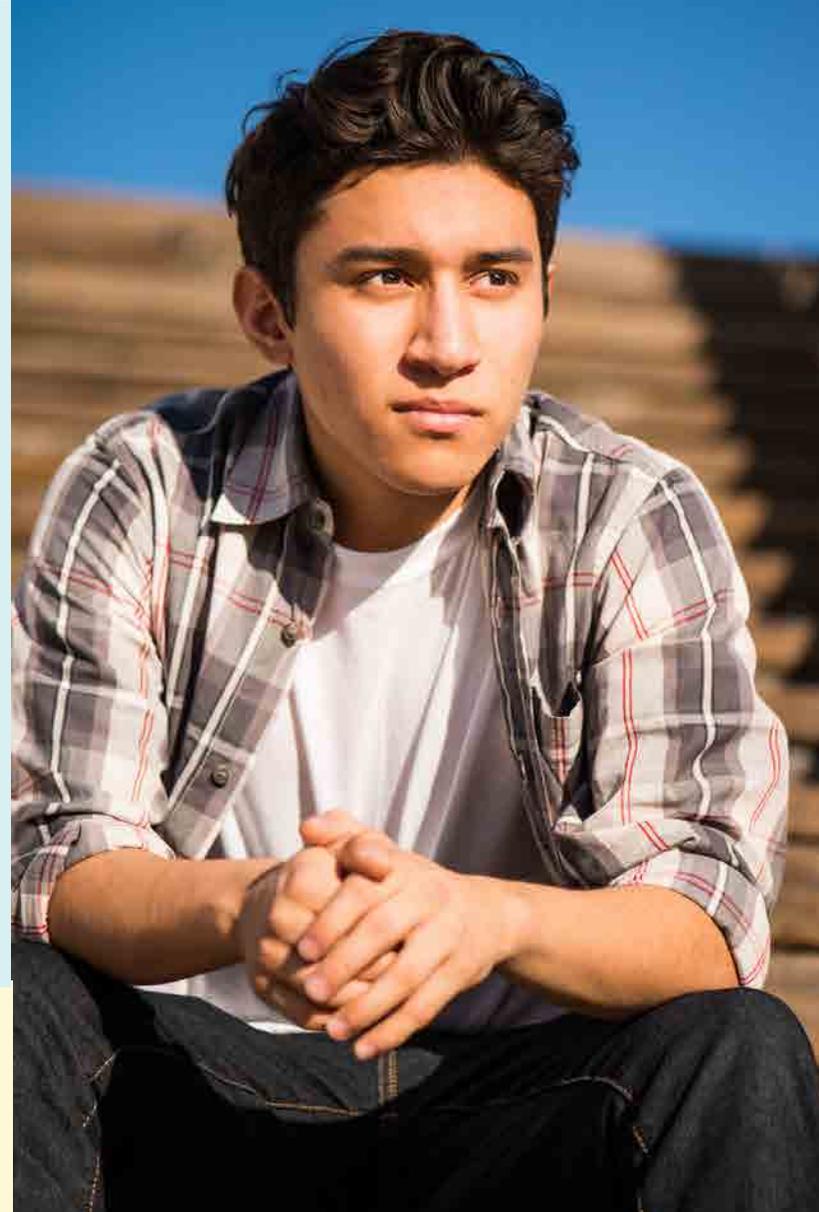
Increasing the price of tobacco products by raising taxes is an evidence-based approach for helping people quit smoking and supporting a healthier future for them and the state.

## **Cigarettes and other tobacco products harm our communities – and that harm isn’t equitable.**

- Tobacco products disproportionately harm youth and communities of color.
  - Tobacco industry marketing has heavily targeted young people, particularly in low-income communities.<sup>1</sup>
  - Almost 10% of New Mexico high schoolers smoke (compared to almost 5% nationally). At current smoking rates, 40,000 New Mexico youth will face premature deaths due to smoking.<sup>2</sup>
  - Tobacco use is highest among Native American, Black, and LGBTQ members of our communities<sup>3</sup> – groups that already face disproportionately poor health outcomes.
  - Smoking-related deaths among Native Americans are 2.2 times higher than for whites.<sup>4</sup>
- Smoking kills more people than alcohol, AIDS, car crashes, illegal drugs, murders, and suicides combined. Approximately 2,600 adults die in New Mexico each year from smoking.

## **Cigarettes and other tobacco products cost our state.**

- Smoking-related health-care expenses cost the state significant amounts of money every year:
  - Tobacco-related health care expenditures: \$844 million
  - Medicaid expenditures due to tobacco use: \$222.8 million
- New Mexico households pay \$864 per year in the state and federal tax dollars needed to cover tobacco-related expenditures.



**Raising taxes on tobacco products will lead to a healthier New Mexico.**

# Increasing tobacco taxes motivates people to decrease their tobacco use, supports healthier, more equitable and prosperous communities, and results in cost savings for the state.

- Decreased tobacco use is associated with improved health outcomes, quality of life, and better family economic security because families spend less on tobacco and related health care expenses.
- Tobacco taxes also help reduce health disparities along income and racial and ethnic lines because younger people and people earning lower incomes – which are both disproportionately people of color – are the most likely groups to reduce tobacco use in response to higher costs.
- A 7% decrease in teen smoking rates can be achieved with a 10% increase in the cost of tobacco products, which results in significant annual savings of New Mexico's public health care funds.
- Increasing cigarette and tobacco taxes will raise significant revenue for the state to help pay for the crucial health programs that our families and communities need now more than ever.
  - New revenues from the tax increases are expected to total about \$90 million annually.<sup>10</sup>



1 Preliminary Scientific Evaluation of the Possible Public Health Effects of Menthol Versus Nonmenthol Cigarettes, FDA, 2013

2 The Toll of Tobacco in NM, Campaign for Tobacco-Free Kids, 2020

3 Burden of Cigarette Use in the U.S., Centers for Disease Control, 2020

4 Disparities in Smoking-Related Mortality Among American Indians/Alaska Natives, Am J Prev Med, 2015

5 The Toll of Tobacco in NM, Campaign for Tobacco-Free Kids, 2020

6 Ibid

7 A Socioecological Approach to Addressing Tobacco-Related Health Disparities, National Cancer Institute, 2017

8 US State Tobacco Taxes, Campaign for Tobacco-Free Kids, 2020

9 The Toll of Tobacco in NM, Campaign for Tobacco-Free Kids, 2020

10 Legislative Finance Committee fiscal impact report for HB 167, 2021



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