

MAKE YOUR MESSAGE COUNT!

NO INCREASES IN TOBACCO EXCISE TAXES!

Tobacco excise taxes are regressive, unfair to consumers and can hurt our economy by costing production and jobs. Use the points on the opposite page to hammer home your message. Your state and federal lawmakers need to know the damage that can be caused by such taxes -- YOU are the one who can best deliver that message!

Here are a few tips on how to get your message across to your congressmen and senators in Washington (the same general rules apply when writing your state lawmakers):

1. If you write as a concerned taxpayer, handwrite your letter on personal stationery or plain paper ... if you are writing on behalf of your business or organization, type your letter on official stationery.

2. When you write your senator, the address is:

The Honorable _____
United States Senate
Washington, DC 20510

When you write your representative, the address is:

The Honorable _____
United States House of Representatives
Washington, DC 20515

3. Your letter should not be more than two handwritten or one typed page in length

4. Stick to one subject -- excise tax increases -- only

5. If you know the lawmaker's voting record on taxes, mention it

6. Use your credentials. Let the lawmakers know you derive a living from tobacco and the excise issue is very important to you

7. Call your senator or representative as a follow-up to your letter ... you may reach any member by calling 202/224-3121

8. Finally, send us a copy of your letter, plus a copy of any response you receive from your lawmakers. You may send your letter copies to us at the following address:

National Tobacco Council
P.O. Box 65327
Washington, DC 20035

Your voice counts with Congress. Please make it heard! Thanks!
Bruce Flye, Chairman, National Tobacco Council

POINTS TO MAKE ABOUT TOBACCO EXCISE TAX HIKES

... Excise taxes are regressive. They take a bigger bite out of the paychecks of people who earn less than they do from the wealthy. According to Citizens for Tax Justice -- a consumer group -- people earning \$10,000 a year pay 27 times more of their income in federal excise taxes than do those with incomes greater than \$200,000.

... The nonpartisan Congressional Budget Office (CBO) agrees that excises are regressive. According to the CBO, "an increase in the excise tax on tobacco would be the most regressive of all."

... Excise taxes are "hidden" taxes. Added to the price of cigarettes as a part of the purchase price, many smokers are unaware they are paying additional nickels and dimes. These taxes, therefore, can be increased by lawmakers without most smokers ever realizing it.

... Excise taxes are bad for business, especially small businesses. When excises increase, owners of small operations have no choice but to pass the tax increases along to consumers. This hurts the ability of these businesses to compete with larger establishments.

... Some argue that tobacco taxes should be increased to help reduce the growing federal deficit. Although tobacco excises generate more than \$4.7 billion in revenue annually for the federal government, that amount represents but a small percentage of the deficit. In fact, the General Accounting Office noted in a 1986 staff report, "The cigarette excise tax does not have a consumer base broad enough to materially reduce the deficit."

... Tobacco excises are unfair. Anti-tobacco advocates argue increasingly that cigarette excise taxes should be raised to discourage smoking. The U.S. tax system was not designed as a tool to regulate social behavior.

... Tobacco excises can cost jobs. When Congress doubled the federal excise tax rate in 1983, the increase had a significant economic effect on hundreds of thousands of workers involved in the manufacture and distribution of tobacco, not to mention the farmers and thousands of American workers who rely on tobacco for their livelihood.

... Americans deserve a tax system that is fair, not a regressive system that burdens those least able to pay. And not one that is arbitrary and targets one group of consumers -- such as smokers -- to shoulder additional financial burdens. Excise taxes are bad for consumers, farmers, business and the nation's economy.