

June 9, 1988

FROM: Californians Against Unfair Tax Increases, a committee sponsored by the tobacco industry

RE: Analysis of radio spot for the Cigarette and Tobacco Tax Initiative

SPOT: #2 - SMARTER

ANALYSIS:

- Paid for by Californians Against Unfair Tax Increases, a committee of the tobacco industry.

Californians Against Unfair Tax Increases, a committee sponsored by the tobacco industry, is a California nonprofit corporation and authored and paid for this spot. This corporation has editorial control over all its spots and is registered with the California Secretary of State as a political committee. The Federal Communications Commission requires advertising to be identified by the "person" (entity) paying for it or furnishing it. (47 U.S.C. 317(A)(1); 47 C.F.R. 73.1212(a).)

- You think you get older, you get smarter.

Introduction.

- Well, maybe you do. I'm not so sure about me.

Introduction.

- Like, well that tax proposition on the November ballot. The Secretary of State certified the Cigarette and Tobacco Tax Initiative for the November 8, 1988 statewide election ballot on June 1, 1988.
- It's supposed to tax tobacco to raise money for health research. Proponents' written statements say: "The funds would go to research on cancer, lung, heart and other tobacco related diseases;" and "\$30 million will go to research to cure cancer, lung and heart disease and other tobacco related diseases."
- I really think health research is an important thing. Opinion.
- Turns out I almost fell for a new version of an old fashioned scam. Opinion.
- That November proposition says it's to raise money for health research. Proponents' written statements say: "The funds would go to research on cancer, lung, heart and other tobacco related diseases;" and "\$30 million will go to research to cure cancer, lung and heart disease and other tobacco related diseases."
- But the truth is, only pennies of each dollar go to research. Proposed Revenue and Tax Code § 30124(b) of the initiative language states that research will receive 5% of the Cigarette and Tobacco Products Surtax Fund, or only five cents of every dollar.

- Biggest chunk would go to - guess who - the promoters behind the proposition.

The letterhead organizations of the proponents' campaign committee, and their individual members, would qualify to receive most, if not all, funds from the Cigarette and Tobacco Products Surtax Fund created if Revenue and Tax Code § 30122 (b) is enacted into law by this initiative.
- And what makes this scam even worse is that most of the money would come from working people.

Numerous newspaper articles and studies agree that excise taxes on tobacco products are unfair because they are regressive and fall disproportionately on middle and low income groups.
- Now that's wrong.

Opinion.
- I'm glad I didn't sign that petition.

Opinion.
- I'm sure not voting for that tax trickery in November.

Opinion.
- Maybe I am getting a little smarter.

Opinion.

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For copies of the Cigarette and Tobacco Tax Initiative, proponents' documents, studies or other documents referred to above, please contact Chip Nielsen, Esq. or Diane Elan Wick, Esq., Nielsen, Merksamer, Hodgson, Parrinello & Mueller, 650 California Street, Suite 2650, San Francisco, California 94108, (415) 989-6800, legal counsel for Californians Against Unfair Tax Increases.