



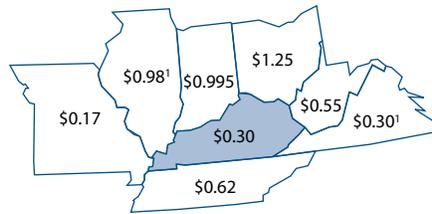
# What Kentuckians Think About *Increasing the State Tax on Cigarettes*

Results From The Health Foundation of Greater Cincinnati and the Foundation for a Healthy Kentucky



Like many states, Kentucky is facing a current and future state budget deficit. Concerns about the state deficit, the high rate of adult smokers in the state, and the negative health affects of smoking have renewed Kentucky's interest in an increase in the state cigarette tax. The 2008 *Kentucky Health Issues Poll* asked Kentuckians if they would support an increase in the state tax on cigarettes.

also has a lower cigarette tax rate than most of its neighbors.



Source: Federation of Tax Administrators

<sup>1</sup> According to state laws, counties and cities in Illinois and Virginia may impose additional taxes on cigarettes of up to \$0.15.

Kentuckians *more and less* likely to favor a 25-cent increase in the state tobacco tax

## Smokers in Kentucky

Kentucky ranks first in the nation for the rate of adult smokers. The *Kentucky Health Issues Poll* found that 31% of Kentucky adults were current smokers, compared to the national average of 21%.

In general, as age, income, or education level increased, the percentage of Kentucky adults who smoke decreased. Smoking rates were highest in the Appalachian Area Development Districts (ADDs) at 36% and lowest in the Louisville Area at 26%.

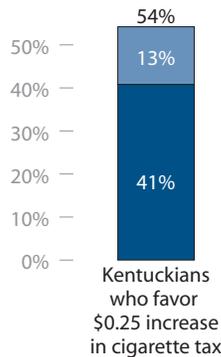
## State Cigarette Taxes

As of January 1, 2008, state cigarette taxes range from \$2.575 in New Jersey to \$.07 in South Carolina, according to the Federation of Tax Administrators. The median tax rate for the nation is \$1.00 per pack.

At \$0.30 per pack, Kentucky has the third lowest state tax rate on cigarettes in the country. Kentucky

## Support for Higher State Cigarette Tax

Just over half of Kentuckians surveyed (54%) said they would favor a \$0.25 increase in the state cigarette tax.



■ Strongly favor    ■ Favor somewhat

Of just those who favor the \$0.25 increase, 74% would favor a \$0.75 increase. (Note: respondents who did not support the \$0.25 increase were not asked if they supported the \$0.75 increase.)

(over)

Demographic	% who favor a 25-cent increase
<b>Kentucky</b>	54%
<b>Sex</b>	
Male	57%
Female	51%
<b>Ethnicity</b>	
White	55%
African American	50%
<b>Age</b>	
30 to 45	57%
18 to 29	48%
<b>Education</b>	
College graduate	81%
Less than high school	44%
<b>Family Income</b>	
Above 200% FPG <sup>1</sup>	66%
Between 100–200% FPG	46%
Below 100% FPG	46%
<b>Health Insurance</b>	
Insured	58%
Uninsured	39%
<b>Smoking Status</b>	
Never smoked	73%
Current smoker	20%

<sup>1</sup> 100% of the federal poverty guidelines (FPG) in 2007 was an annual income of \$20,650 for a family of 4.

## Support for Higher State Cigarette Taxes to Cover all Kentuckians Eligible for Medicaid

The majority of Kentuckians agree that the Kentucky Medicaid program is important for elderly people who can not afford nursing homes, low-income working parents, children in low-income families, low-income pregnant women, and disabled adults who can not work.

The 2008 *Kentucky Health Issues Poll* gave Kentuckians a choice of options they would most like to see Kentucky lawmakers choose if the Commonwealth is unable to afford healthcare coverage for everyone who is eligible for the Kentucky Medicaid Program. Half of Kentuckians chose an increase in the state cigarette tax as a way to cover all Kentuckians eligible for Medicaid.

Suppose the Commonwealth of Kentucky is unable to afford health coverage for everyone who is eligible for the Kentucky Medicaid Program. Which of the following options would you MOST like to see Kentucky lawmakers choose to address this?

