

Should alcohol taxes be raised to reduce consumption?

YES

David Jernigan PhD

Professor, Department of Health Law, Policy and Management  
Boston University School of Public Health

Alcohol taxes should be raised to reduce consumption and save lives. Alcohol use is expensive, costing \$249 billion per year, or approximately \$2.05 per drink. Alcohol-specific taxes at the state and federal level pay for approximately 10% of this, leaving a large gap that burdens everyone, in addition to the tragic health consequences of excessive alcohol use: long-term health problems, crime, violence, car crashes, and decreased productivity.

Both the World Health Organization and the U.S. Task Force on Community Preventive services have endorsed increasing alcohol taxes as an important, effective and cost-effective public health intervention. When Maryland raised its alcohol tax in 2011, consumption fell 3.5% from what it would otherwise have been, and alcohol-impaired drivers on the state's roadways dropped by 6%.

Alcohol taxes are a targeted intervention: the bulk of the tax increase will be paid for by those who drink too much, and this is exactly the group whose consumption needs to decrease. Binge drinking hurts everyone, whether they drink or not. Excessive alcohol use is the third leading cause of preventable death in the U.S., causing approximately 88,000 deaths per year. Alcohol is a carcinogen, playing a role in cancers of the head, neck, digestive tract and female breast; excessive drinking can also lead to cirrhosis of the liver, dependence and injury. Alcohol is involved in a third of violent crimes and two in three cases of domestic violence. Lost productivity due to alcohol-related illness, death, disability and incarceration costs \$161 billion per year.

While youth alcohol consumption has been falling, three out of ten high school students drink, and one in eight binge drinks. Alcohol taxes will reduce youth consumption even more, as young people have less money to spend.

The research evidence is clear: raising alcohol taxes is one of the most effective ways to reduce alcohol consumption and the many health and safety problems that too often come with excessive alcohol use. Alcohol tax increases have been shown to actually increase employment across the whole of the economy, because they shift funds from a business to government services, which are very labor-intensive.

For government, for families and for young people, alcohol tax increases are a win-win-win. They raise money for much needed government services, they reduce excessive consumption, and they can make the world safer and healthier for all.