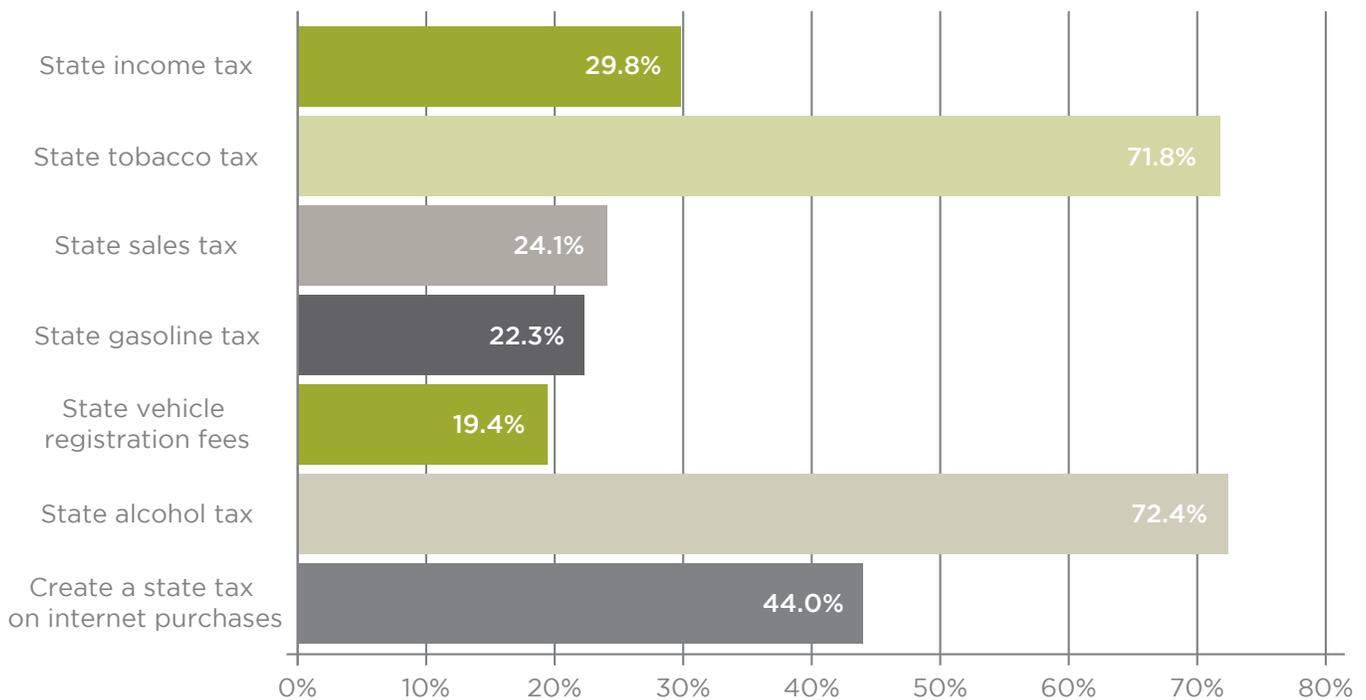


Mississippi State TOBACCO TAXES

The State of Mississippi currently taxes cigarettes at a rate of 68 cents per pack. As of August 9, 2017, the average state tax across the U.S. is \$1.71. A recent representative survey of Mississippi adults found that the majority of adults, across political parties support increasing the state cigarette tax by \$1.50.

Compared to other potential taxes to increase revenue, Mississippi adults are substantially more supportive of an increase to the state cigarette taxes than most of the alternative taxation approaches. With the exception of an increase to the state alcohol tax, the majority of Mississippians oppose all potential tax increases. Despite most Mississippians opposing other types of tax increases, more than seven in 10 adults support increasing the state tobacco tax.

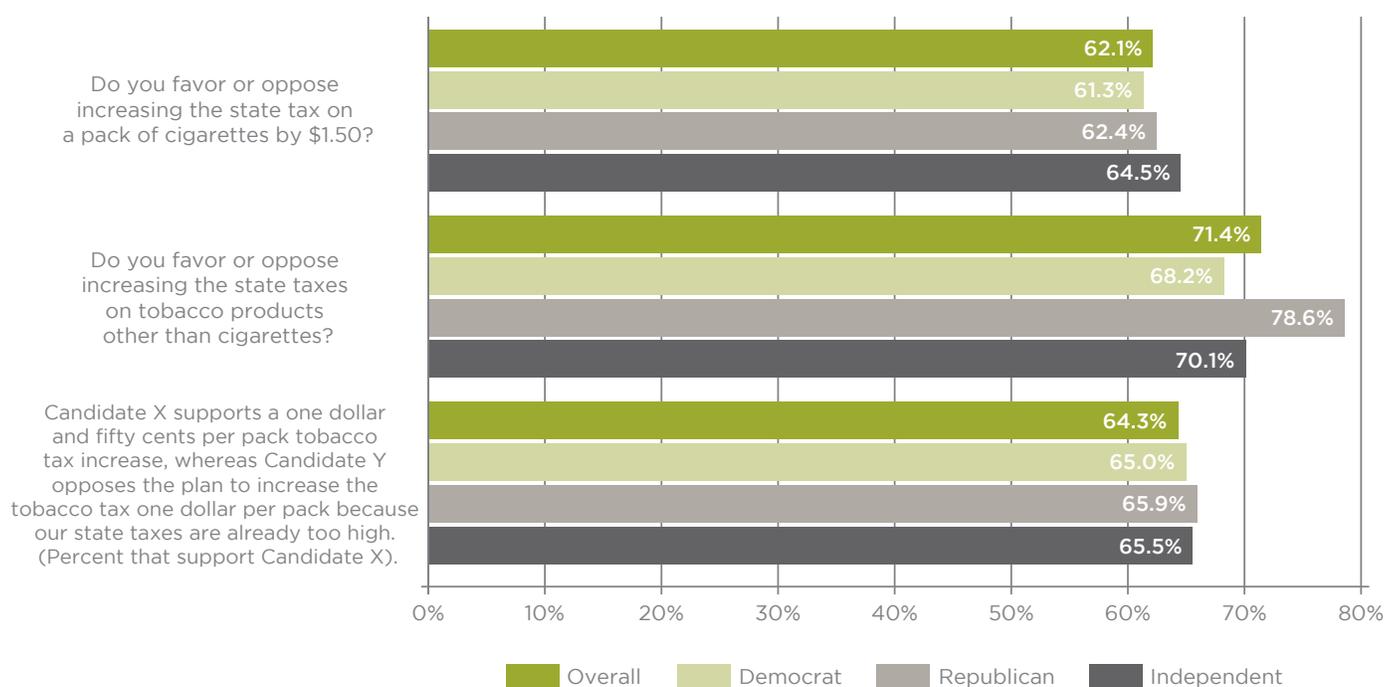
SUPPORT FOR POTENTIAL STATE TAXES



Survey Question: As you may have heard, Mississippi is facing a budget deficit estimated to be as much as 70 million dollars. I am going to read you a list of options that the Governor and state legislature might use to help deal with the state's budget deficit. For each option, please tell me if you strongly support, somewhat support, somewhat oppose or strongly oppose the option.

When asked about specific changes to the state's tobacco taxes, most Mississippians supported increasing the state cigarette tax by \$1.50 and also increasing state taxes on tobacco products other than cigarettes. Mississippians were also more likely to vote for a candidate that supports the state cigarette tax. Support was consistent across political affiliation.

SUPPORT FOR STATE TOBACCO TAX BY POLITICAL AFFILIATION

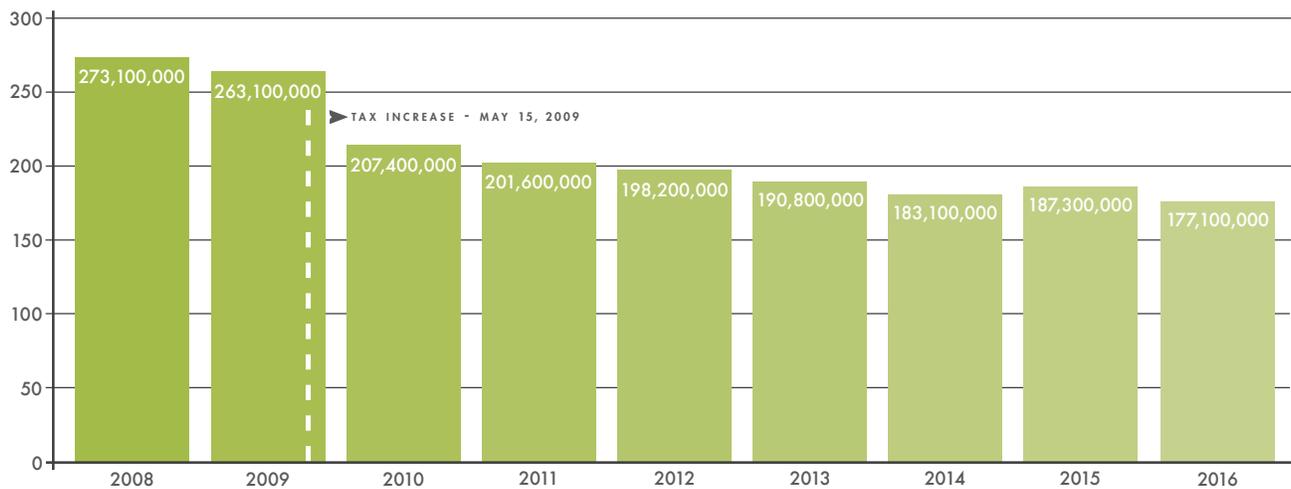


Survey Questions:

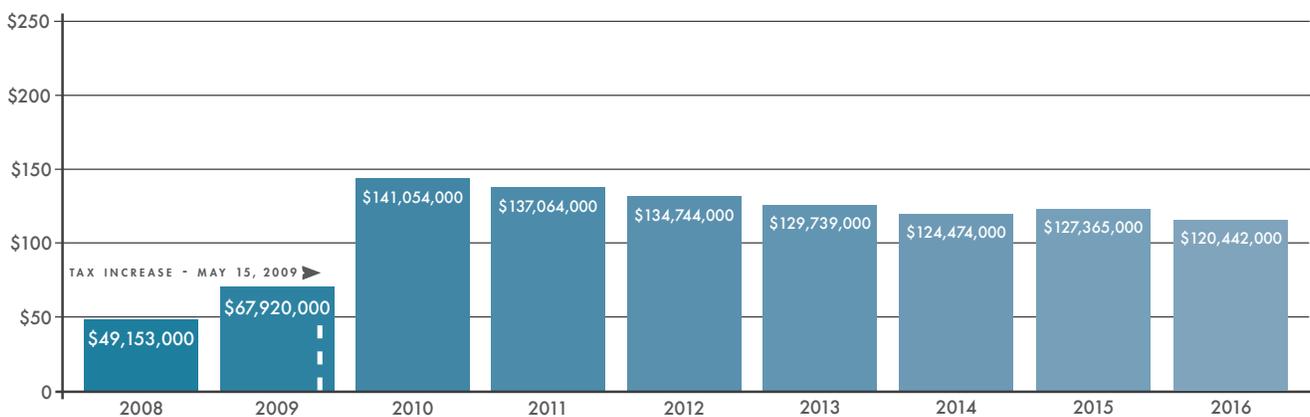
- Do you favor or oppose increasing the state tax on a pack of cigarettes by one dollar and fifty cents?
- Do you favor or oppose increasing state taxes on tobacco products other than cigarettes, such as cigars, cigarillos, loose tobacco and smokeless products?
- Now I'm going to read you some statements about two candidates for state office in Mississippi and ask for whom you would vote:
 - Candidate X supports a one dollar and fifty cents per pack tobacco tax increase with part of the revenue dedicated to a program to reduce tobacco use, particularly among kids, and another part of the revenue used to address the state budget deficit.
 - Candidate Y opposes the plan to increase the tobacco tax one dollar and fifty cent per pack because our state taxes are already too high.

In addition to strong and universal support for a tax increase in Mississippi, prior experience illustrates the economic and health benefits to the this state. The last increase in the Mississippi state cigarette tax occurred in May of 2009. Despite the fact that less than two months remained in that fiscal year, revenues for that year increased by almost \$20 million and increased substantially more the following years. Per capita consumption also decreased sharply. Mississippians began smoking fewer cigarettes. A \$1.50 increase in the state cigarette tax would have an even greater impact than the 50 cents tax increase in 2009. It should also be noted that the tobacco industry has greatly increased their couponing and discounting activity since 2009, leading to reduction of the positive health impacts of relatively small increases like 50 cents.

Packs Sold | 2008-2016



Revenues Collected | 2008-2016



These data from tax records clearly demonstrate that following the 2009 increase in the state cigarette tax, the number of packs of cigarettes sold in Mississippi decreased by more than 30%, while tax revenue from cigarette sales almost tripled.

[METHODS]

The Survey Research Laboratory at Mississippi State University's Social Science Research Center administered this survey to 446 Mississippi adults. This survey represents the civilian, noninstitutionalized adult population over age 18 in Mississippi. In order to provide a probability-based sample representative to all households in the state, we applied a dual-frame RDD sampling methodology. Both landline and cellular telephone numbers were used to contact eligible adults. Telephone numbers were dialed a maximum of eight (8) times before being retired.

F O R M O R E I N F O R M A T I O N C O N T A C T

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