

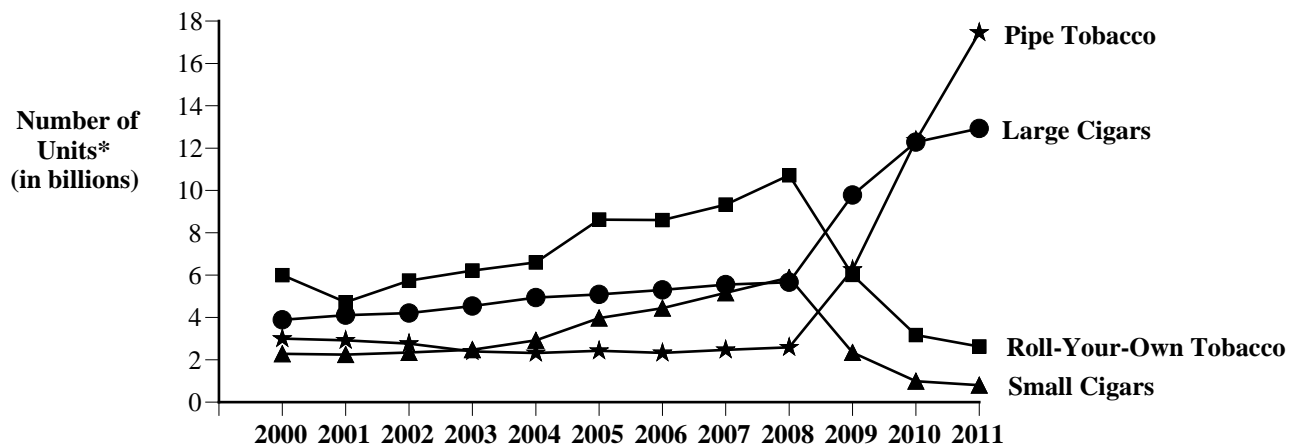
A Weekly FAX from the Center for Substance Abuse Research

University of Maryland, College Park

Report Suggests Increases in U.S. Consumption of Pipe Tobacco and Large Cigars May Be Related to Changes in Federal Excise Taxes

While cigarette use has been on the decline since the 1960s (see *CESAR FAX*, Volume 22, Issue 24), use of other combustible tobacco products has increased. According to data from the Centers for Disease Control and Prevention, the consumption of pipe tobacco has increased dramatically since 2008 (from 2.6 billion to 17.5 billion units in 2011), as has the consumption of large cigars (from 5.7 billion in 2008 to 12.9 billion in 2011). At the same time, consumption of roll-your-own tobacco and small cigars decreased (see figure below). These changes coincided with the implementation of a 2009 federal tobacco excise tax increase that “made 1) pipe tobacco less expensive than roll-your-own tobacco and manufactured cigarettes, and 2) large cigars less heavily taxed than small cigars and manufactured cigarettes” (p. 566). According to the authors, this tax change led “manufacturers to relabel roll-your-own tobacco as pipe tobacco and then market this relabeled pipe tobacco for roll-your-own use” (p. 567). In addition, manufacturers increased the per unit weight of some small cigars in order to have them reclassified as large cigars at a lower tax rate. The authors suggest that this increased consumption of “other, lower-taxed, combustible tobacco products blunts the effect of increasing prices, one of the most effective ways to reduce smoking and prevent youth smoking initiation” (p. 568).

**Total Number (in billions) of Noncigarette Tobacco Products Consumed*
in the United States, 2000-2011**



*Consumption is measured in units, which are per cigar (for cigars) or per cigarette equivalent (for pipe tobacco and roll-your-own tobacco). The per cigarette equivalent was calculated using the conversion rate in the Master Settlement Agreement of 0.0325 oz of tobacco = one cigarette.

NOTE: The U.S. Department of Agriculture stopped reporting tobacco consumption estimates in 2007. To estimate consumption for the period 2000-2011, CDC examined excise tax data from the U.S. Department of Treasury's Alcohol and Tobacco Tax and Trade Bureau.

SOURCE: Adapted by CESAR from data from the Centers for Disease Control and Prevention (CDC), Morbidity and Mortality Weekly Report (MMWR), *Consumption of Cigarettes and Combustible Tobacco- United States, 2000-2011, 2012* (available online at http://www.cdc.gov/mmwr/preview/mmwrhtml/mm6130a1.htm?s_cid=mm6130a1_w)