

•**Here we go again!** Just a few weeks ago, the U.S. Senate refused to enact the restrictive anti-smoking proposal authored by Sen. John McCain because of the excessive taxes it would have imposed. But now, the House may consider legislation that imposes taxes beyond those contained in the McCain bill. Isn't anyone in Washington listening to what Americans are saying?

•**Higher taxes are unwarranted, especially at a time when the nation has a \$70 billion budget surplus.** For the first time in more than two decades, the U.S. is enjoying a budget surplus. Singling out smokers for additional taxes at this time is illogical and unfair.

•**Higher taxes mean lost jobs.** Significantly higher cigarette taxes could have a crippling impact on those industries that rely on cigarette sales. Jobs in virtually every community could be placed at risk -- professions ranging from truck drivers to farmers to retail clerks to paper manufacturers, and so on.

•**Using taxes -- or price increases -- to force adults to change their behavior is not good public policy.** Cigarettes are a legal product in this country, and adult consumers should not be subject to excessive penalties simply because some members of Congress disapprove of smoking.

•**Unelected bureaucrats could have unprecedented -- and unchecked -- authority.** Under the proposals now under consideration, unelected federal bureaucrats could limit or ban nicotine or anything else in cigarettes, order design changes that consumers would not accept -- or ban tobacco products outright -- any change that they determined, in their discretion, to be in furtherance of the "protection of the public health."

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•Significant tax increases will virtually assure a black market. A steep increase in the price of cigarettes will virtually assure the creation of a black market. In addition to robbing the government of taxes, a black market could result in minors obtaining cigarettes, since criminals selling cigarettes out of the backs of cars would be unlikely to stop and verify a consumer's age.

•Efforts to “punish” tobacco companies with financial penalties will actually fall on the backs of adult smokers. Some members of Congress support an unconstitutional “lookback” provision, which would impose penalties on tobacco companies if youth smoking rates do not decline by specified amounts. Those penalties are really taxes on working people because the penalties must be passed on to adult consumers through prices increases.

•Americans do not need the federal government to dictate what types of advertisements are appropriate for adult audiences. Proposals are circulating that would impose advertising and promotion restrictions on tobacco products. These proposals are unconstitutional and represent paternalistic, big-government tactics at their worst by denying adults the right to have information about a legal product.

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