

VOTE NO on HB 4129

**Overtaxing tobacco punishes the
middle & lower class workers for the actions of a few.**

Oregon already is misusing existing tobacco funds.

✓ **Oregon is a lower-smoking state**

Fewer Oregonians smoke than in 36 states according to the Kaiser Family Foundation.

✓ **Oregon is already wasting valuable tobacco tax dollars on unrelated projects.**

In fact, Oregon spends a reasonable chunk of its tobacco tax revenues on things that either have no relationship to smoking or have only an indirect one. Fully 6 percent of revenues go to mass transit, cities and counties. Another 18 percent become part of the state's General Fund, which finances schools, law enforcement and social services. Three percent go directly to cessation programs, and 73 percent help finance the Oregon Health Plan.

From Bend Bulletin (1/24/14)

✓ **Overtaxing tobacco does not work**

In 2007, New Jersey raised the cigarette tax by 17.5 cents. The first year of the tax the revenue dropped by \$23 million instead of increasing. Oregon pay attention!

New Jersey's tax horror story is a reality check to Oregon's unlimited tax tobacco myth. It is also a warning that Oregon may threaten the stability of the health care budget by repeating the demonstrable mistakes of other local governments.

Of 40 state excise tax increases only eight met their projections ('03-'05). Oregon saw their estimated cigarette tax revenue decline by \$23 million after the first six months of the last increases (KATU2 1-26-04, *State Cigarette Tax Increases: A Comparison of projected versus Actual Revenue FY 2003-2005*, Fiscal Planning Services Inc. 9-1-2006.).