

Increasing Alcoholic Beverage Taxes Is Recommended to Reduce Excessive Alcohol Consumption and Related Harms

Task Force on Community Preventive Services

Excessive use of alcohol is the third-leading cause of preventable death in the nation,¹ and it presents a public health challenge that is being approached from many directions. The serious toll that alcohol-related injuries and disease impose on the population of the U.S. led the Task Force on Community Preventive Services (Task Force) to include reduction of excessive alcohol consumption and related harms as a priority topic in its earliest planning sessions.² The Task Force has studied and made recommendations (Table 1) on ways to reduce alcohol-impaired driving and excessive alcohol consumption, including interventions to regulate alcohol outlet density, maintain limits on the days on which and the hours in which alcohol can be sold, enhance enforcement of laws prohibiting sales to minors, and increase taxes on alcoholic beverages. A detailed report on the systematic review of the effectiveness of increasing alcohol taxes can be found in the accompanying article in this issue of the *American Journal of Preventive Medicine*.³

Intervention Recommendation

The Task Force recommends increasing taxes on the sale of alcoholic beverages, on the basis of strong evidence of the effectiveness of this policy in reducing excessive alcohol consumption and related harms. Public health effects are expected to be proportional to the size of the tax increase. In formulating this recommendation, the Task Force considered several aspects of the effects of this policy intervention. The relationship between alcohol price and overall consumption was reviewed, as was the relationship between price and individual consumption. Also reviewed were effects of alcohol prices or taxes on several alcohol-related health outcomes, including motor-vehicle crashes that involved alcohol-impaired driving, non-motor-vehicle mortality outcomes, and violence outcomes. The reviewed studies provided consistent evidence that increases in alcohol prices and alcohol taxes are associated with decreases in both excessive alcohol consumption and related harms. Although these effects were not restricted to a particular

demographic group, there is some evidence that they are applicable to groups with a high prevalence of excessive alcohol consumption (e.g., young men). Details of the findings from these studies are provided in the accompanying article.³

Interpreting and Using the Recommendation

Decision makers can use this recommendation to support increases in alcohol taxes as a means of reducing adverse health outcomes related to excessive alcohol consumption. Most of the studies in the systematic review, which used price elasticity as an indicator of the relationship between alcohol taxes and consumption, found that consumption is responsive to price. Furthermore, the findings suggest that the impact of an alcohol tax increase is likely to be proportional to the size of the increase.

Increasing alcohol taxes may benefit government at the federal, state, and local levels, and for that reason such policy change may be welcomed. On the other hand, such increases may be opposed by industry groups and the general population of alcohol consumers. Public support for such increases has been shown to increase substantially, however, when the increased revenues are specifically directed to programs that prevent and treat alcohol abuse.⁴

A potential impediment to increasing alcohol taxes is the concern that these taxes may be regressive, placing a greater burden on lower-income populations. Decision makers, however, should bear in mind that the amount of tax paid is directly related to the amount of alcohol consumed, which causes excessive drinkers—whose alcohol consumption creates the most societal burden—to pay the largest increases. In addition, the beneficial economic results of reducing excessive alcohol consumption and related harms may be disproportionately greater for low-income populations; these groups may be particularly vulnerable to the harmful consequences of excessive alcohol consumption because of factors such as lower rates of health insurance coverage, making treatment for

Table 1. Findings of the Task Force on Community Preventive Services on the effectiveness of interventions to prevent excessive alcohol consumption and reduce alcohol-related harms

Interventions to reduce excessive alcohol consumption^a	
Increasing alcohol taxes	Recommended
Regulation of alcohol outlet density	Recommended
Maintaining limits on days of alcohol sales	Recommended
Maintaining limits on hours of alcohol sales	Recommended
Privatization of retail sales	Insufficient evidence to determine effectiveness
Interventions to reduce alcohol-impaired driving^b	
Enhanced enforcement of laws prohibiting sales to minors	Recommended
0.08% blood alcohol concentration (BAC) laws	Recommended
Lower BAC laws for young or inexperienced drivers	Recommended
Maintaining current minimum legal drinking age	Recommended
Sobriety checkpoints	Recommended
Intervention training programs for servers of alcoholic beverages	Recommended
Mass media campaigns	Recommended
Multicomponent interventions with community mobilization	Recommended
Ignition interlocks	Recommended
School-based instructional programs	Recommended
School-based peer organizations	Insufficient evidence to determine effectiveness
School-based social norming campaigns	Insufficient evidence to determine effectiveness
Designated driver incentive programs	Insufficient evidence to determine effectiveness
Population-based designated driver campaigns	Insufficient evidence to determine effectiveness

^aSource: www.thecommunityguide.org/alcohol/index.html

^bSource: www.thecommunityguide.org/mvoi/AID/index.html

alcohol-related illness or injuries too expensive or simply unavailable. Increasing alcohol excise taxes can particularly benefit low-income populations when the revenue generated from these taxes is used to help improve available healthcare services for uninsured and other vulnerable populations.

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