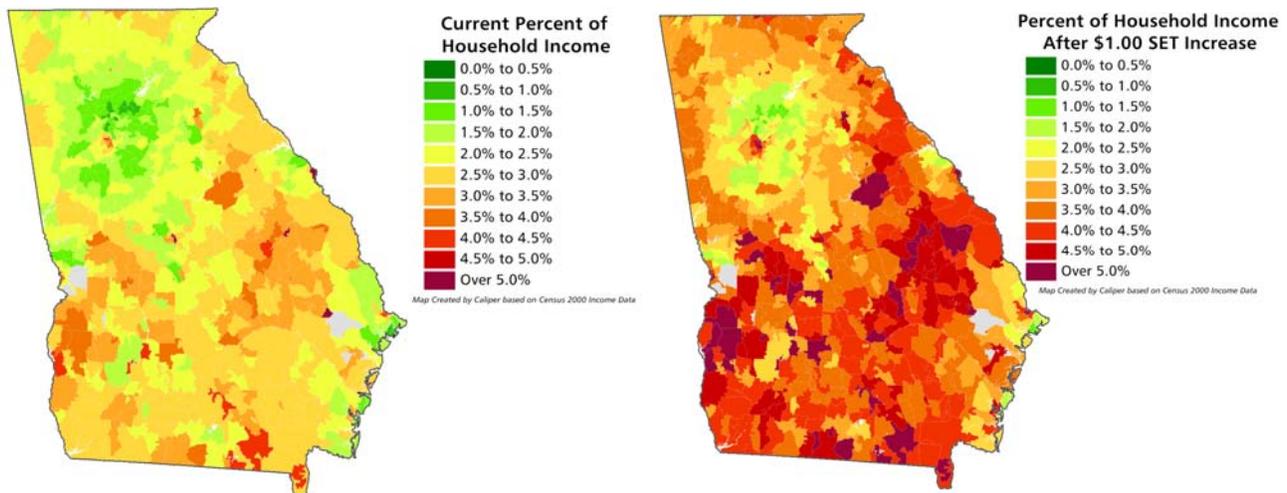


Estimated Government Burden in Georgia

Adult smokers pay the same dollar amount of excise tax on cigarettes regardless of their income. The proposed \$1.00 tax increase would increase the total government burden per pack from \$2.23 per pack to \$3.23 per pack.¹ For a pack a day adult smoker, the annual costs would increase from up to \$814 to up to \$1,179.

The maps below, broken up by zip codes, show the government burden as a percentage of household income an adult smoker in Georgia pays.² The left map shows the percentage of median household income that a pack a day adult smoker currently pays to the government. The right map shows the increased burden from the proposed \$1.00 tax increase.



This clearly illustrates that a \$1.00 increase in the cigarette excise tax rate hurts all adult smokers in Georgia.

¹ The total government burden is defined as applicable federal, state and local excise taxes, settlement expense, FDA user fee, quota buyout, and sales tax. The estimated federal revenues are calculated based on state tax paid sales data and the federal excise tax rate. Bill Orzechowski & Rob Walker, *The Tax Burden on Tobacco*, vol. 44 (forthcoming February 2010); funded by Altria Client Services Inc. and other tobacco companies.

² The maps are created by Caliper based on Census 2000 median income data and shown by zip code.

