

Preventing Excessive Alcohol Consumption: Increasing Alcohol Taxes

Task Force Finding

Intervention Definition

Alcohol excise taxes affect the price of alcohol, and are intended to reduce alcohol-related harms, raise revenue, or both. Alcohol taxes are implemented at the state and federal level, and are beverage-specific (i.e., they differ for beer, wine and spirits). These taxes are usually based on the amount of beverage purchased (not on the sales price), so their effects can erode over time due to inflation if they are not adjusted regularly.

Task Force Finding (June 2007)*

The Community Preventive Services 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).

*From the following publication:

Task Force on Community Preventive Services. Increasing alcohol beverage taxes is recommended to reduce excessive alcohol consumption and related harms. *Am J Prev Med* 2010;38(2):230-2.

Publications

Elder RW, Lawrence B, Ferguson A, Naimi TS, Brewer RD, Chattopadhyay SK, Toomey TL, Fielding JE, Task Force on Community Preventive Services. The effectiveness of tax policy interventions for reducing excessive alcohol consumption and related harms. *Am J Prev Med* 2010;38(2):217-29.

Task Force on Community Preventive Services. Increasing alcohol beverage taxes is recommended to reduce excessive alcohol consumption and related harms. *Am J Prev Med* 2010;38(2):230-2.

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Document last updated September 24, 2013