Cigarette Pack Sales in Louisiana from 2001 to 2013 – A Trend Analysis

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Introduction

- Research suggests that when tobacco excise tax is high, the rate of smoking decreases, particularly among youth who are less likely to be able to afford cigarettes. In Louisiana, the current cigarette excise tax is $0.36 per pack, the third lowest in the nation.
- Per capita cigarette sales based on tobacco excise tax provides a standardized approach to estimate national or state smoking rates and identify trends over time. The Louisiana Campaign for Tobacco-Free Living receives monthly statements from the Louisiana Department of Revenue on the amount of tobacco excise tax collected in the state.
- Using this data, annual estimates of cigarette sales per capita were calculated from July 2001 to June 2013 to identify trends in cigarette sales over the past decade, as well as estimate the trend in smoking rate for cigarettes across the state.

Methodology

- Bimonthly cigarette sales from July 2001 to June 2013 were calculated based on monthly tobacco tax collection statements provided by the Louisiana Department of Revenue. A rolling average of cigarette sales across the fiscal year was produced to smooth out variability in business practices throughout the year.
- Sale values were divided by annual estimates of population 18 years and older to produce per capita sales estimates. All population estimates were retrieved from the U.S. Census Bureau.

Conclusions

- From June 2001 to June 2012, cigarette pack sales per capita slightly declined but remained between 8-10 packs per capita; however in June 2013 cigarette pack sales per capita substantially declined to 6 packs per capita.
- Based on this trend, the analysis suggests that overall smoking rates for cigarettes have declined in the past decade, with the sharpest decline seen in the last year. The 2013 decline in smoking cigarettes is particularly interesting when considered in tandem with the growth in popularity of e-cigarettes in 2013.
- Given this declining trend, policies and programs should communicate the downward trend and promote policies and programs that further support initiatives to increase cigarette excise tax and decrease smoking rates among youth and adults.