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'Taxes can curb tobacco abuse'

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Bureau

By 2020 tobacco will be responsible for 13 per cent of all deaths in India and millions of people are likely to die prematurely due to smoking, reveals a latest study. Funded by the Bloomberg Global initiative to reduce tobacco, the study — Economics of tobacco and tobacco taxation — conducted by a team of experts suggests that increasing taxes on beedis is the most effective way to reduce tobacco consumption, save lives, and earn substantially higher revenues.

The study says that the government should increase taxes on tobacco products. The report points out that by 2020 more than 38.4 million beedi smokers and 13.2 million cigarette smokers are likely to die prematurely due to smoking. "The recommendations include increasing taxes on beedis from Rs 14 to Rs 98 per 1,000 beedis that will increase the government revenue by Rs 36.9 billion while curbing 15.5 million premature deaths due to beedi smoking," said Prakash C Gupta, director of Healis-Sekhsaria Institute of Public Health, quoting the research findings. The report says eliminating the small producer exemption or limiting it to truly small companies, prohibiting the sale of unbranded beedis, and mandated reporting of beedi sales and purchases will ensure higher tax compliance.