

# Droits d'accise et santé

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## Objective of health taxes

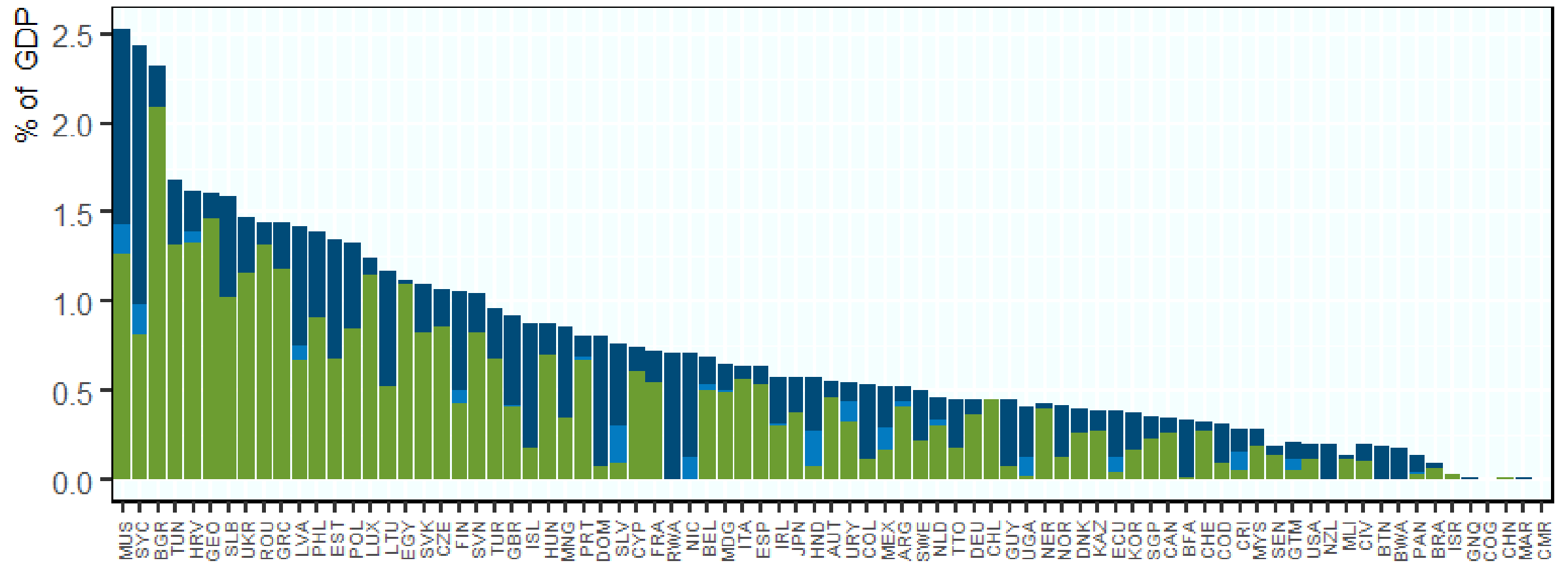
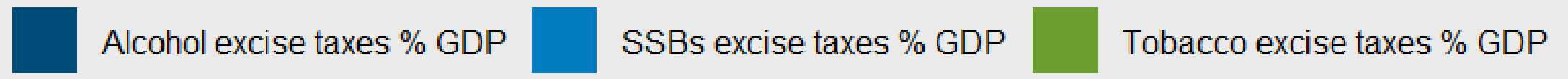
1. Raising tax revenue
2. Changing behaviour
  - Consumers: more healthy lifestyles
  - Industry: production processes
3. Addressing costs for consumers and society
  - Reduce health expenditure related to 'sin' products
  - Internalise the negative external effects of consumption



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## Health excise tax revenue

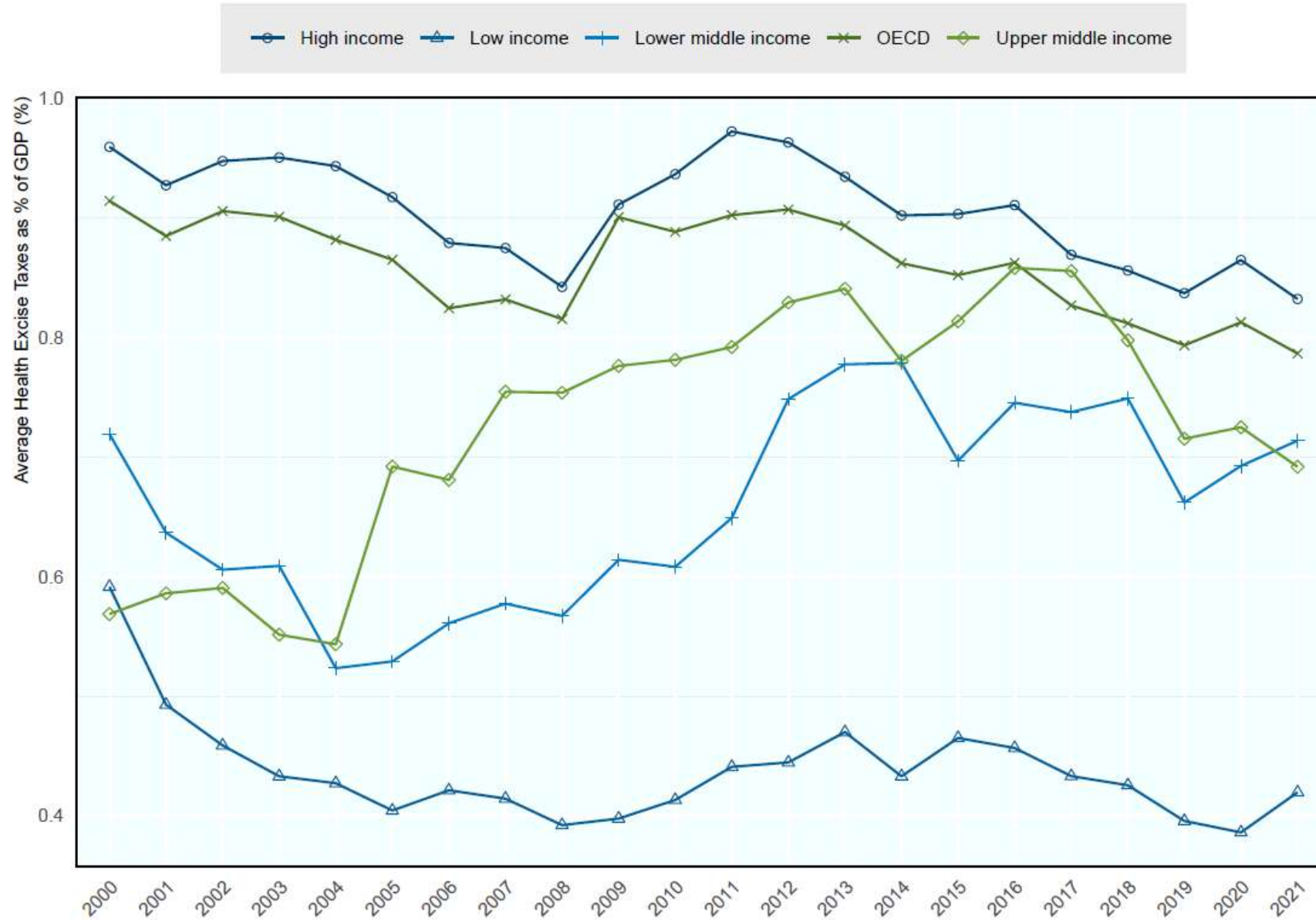
# Tobacco excise tax generates most revenue



Source: OECD



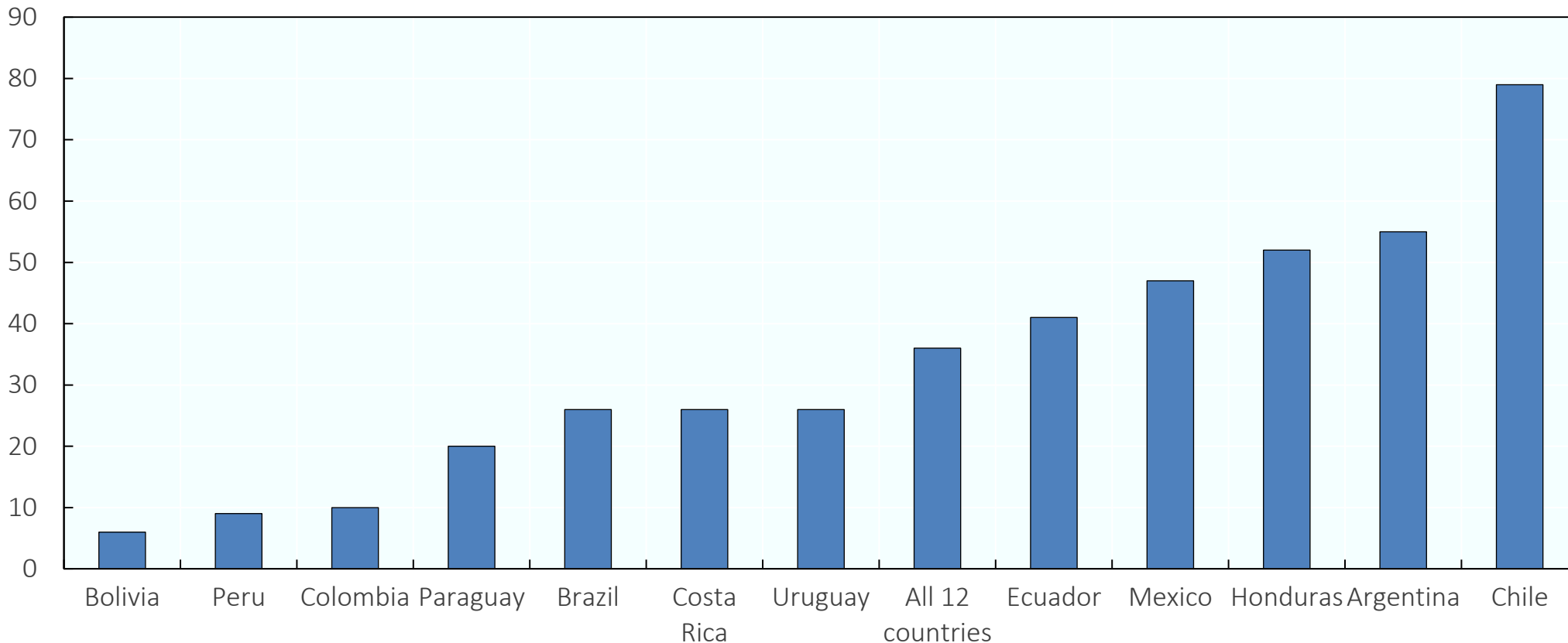
# Evolution of average health excise tax revenue





# Tobacco excise taxes does not internalise the cost of healthcare expenditure

Share of smoking-related medical costs recovered through tobacco excise taxes, 2015



Source: Adapted from Pichon-Riviere et al. (2020[22]). The health and economic burden of smoking in 12 Latin American countries and the potential effect of increasing tobacco taxes: an economic modelling study, [https://doi.org/10.1016/S2214-109X\(20\)30311-9](https://doi.org/10.1016/S2214-109X(20)30311-9).

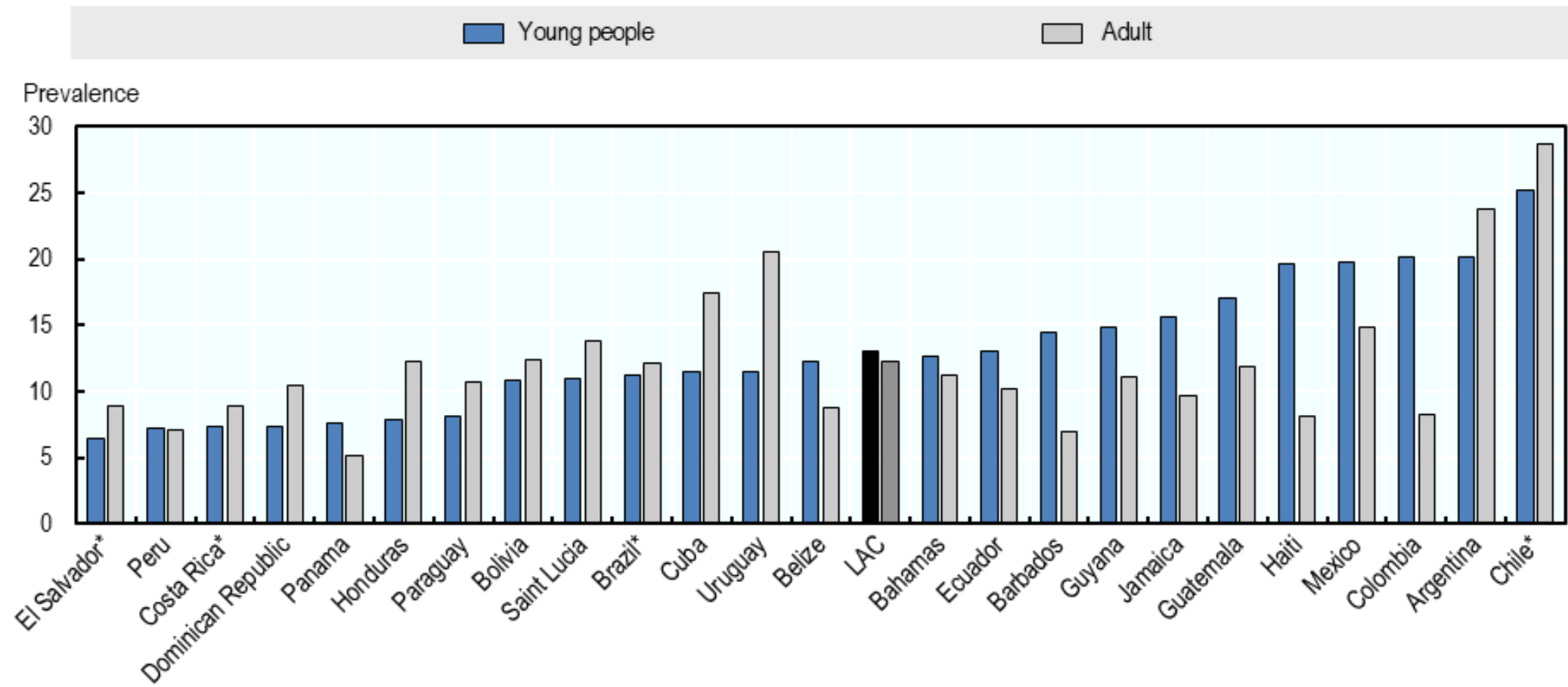
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**Tobacco taxation in  
LAC**



# 1. Tobacco use prevalence is high, especially among teenagers

## Prevalence of tobacco use among 13-15 year olds and 15+ year olds



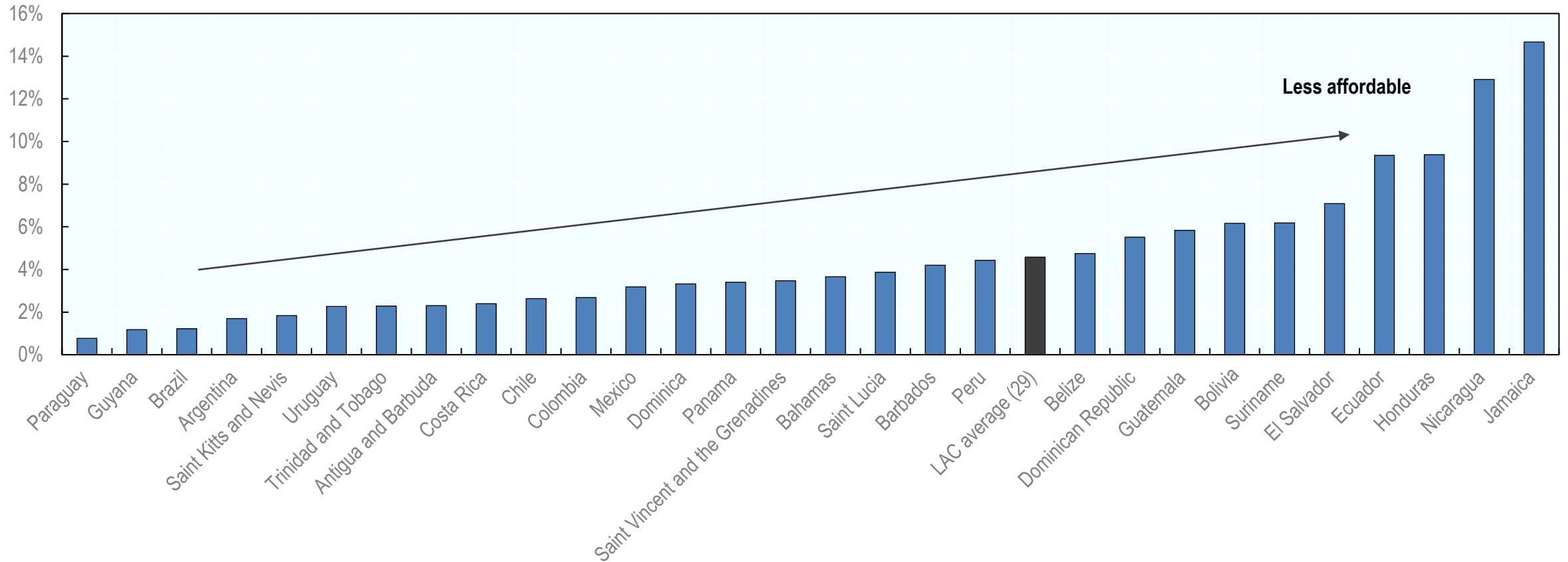
Source: WHO (2024), *Global Health Observatory Data Repository (database)*, <http://apps.who.int/ghodata/>; Countries with an asterisk do not have data on prevalence for young people from the Global Health Observatory, so data were extracted from OECD/The World Bank (2023), *Health at a Glance: Latin America and the Caribbean 2023*.





## 2. Cigarettes remain affordable in most LAC countries

% of GDP per capita to purchase 100 packs of 20 cigarettes of the most sold brand of cigarettes in LAC, 2022



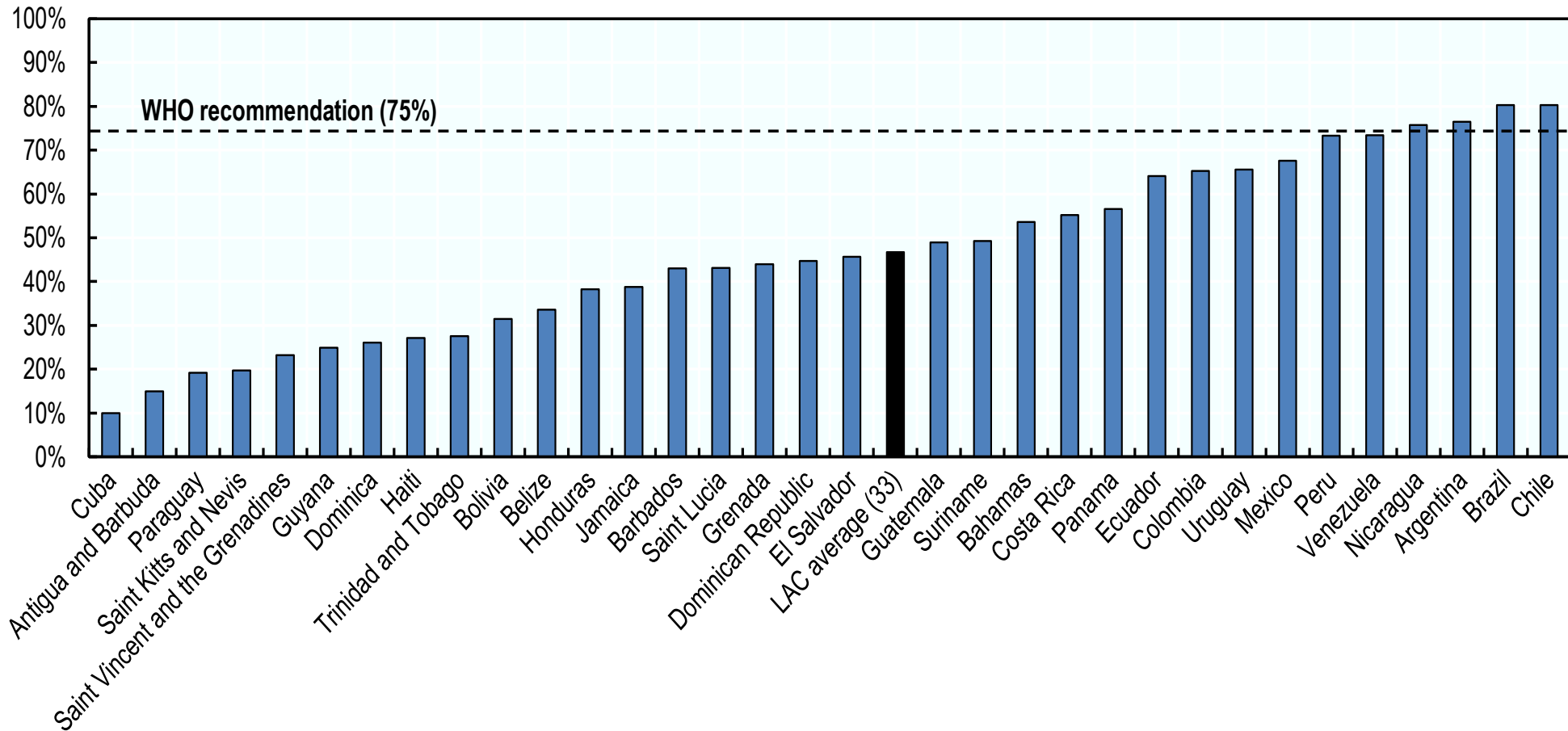
Note: The affordability indicator measures the percentage of the country's GDP per capita required to purchase 100 packs of 20 cigarettes. A higher percentage means lower affordability of cigarettes while a lower percentage means higher affordability. To ensure comparability of average affordability across LAC over time, countries where information was unavailable for certain years have been excluded from the calculation.

Source: WHO report on the global tobacco epidemic (2009-2023 editions).



### 3. Tobacco tax share is low in many countries

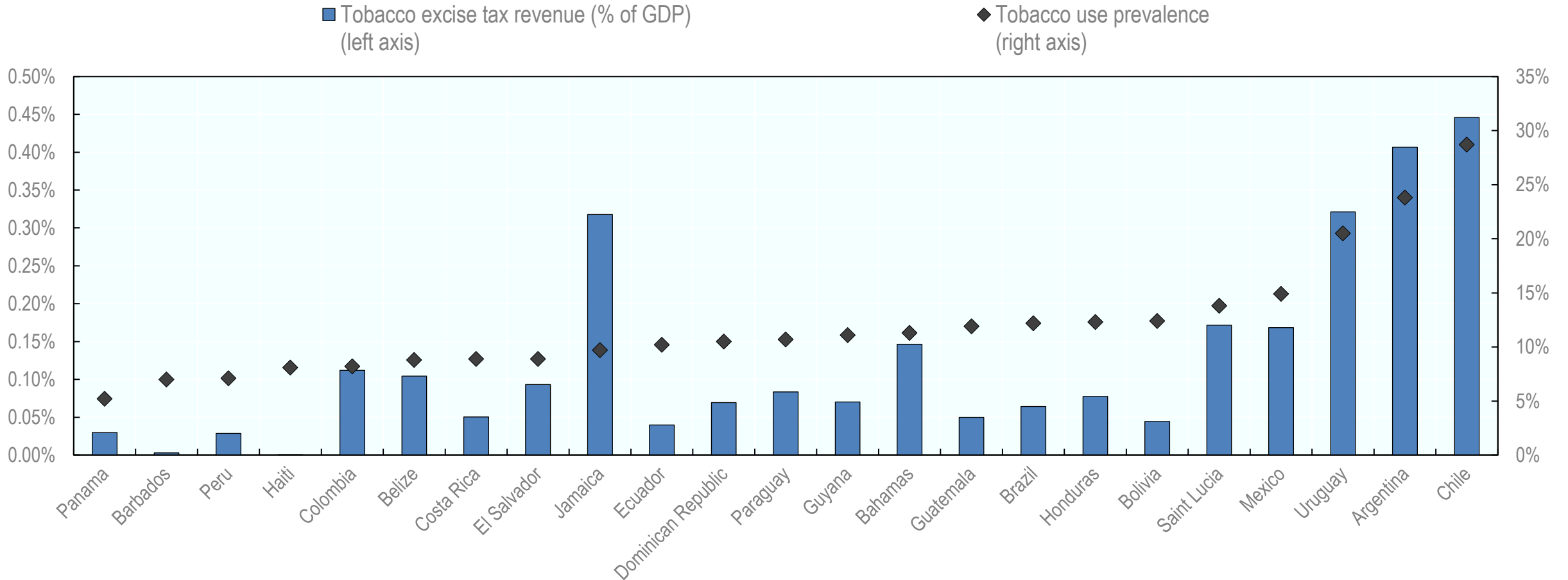
Total indirect taxes as % of the retail price of the most sold brand of cigarettes, 2022





## 4. Many LAC countries do not make use of the revenue potential of tobacco excise taxes

### Tobacco excise tax revenue and tobacco use prevalence, latest year available



Source: OECD Revenue Statistics; national data; WHO report on the global tobacco epidemic, 2023:.

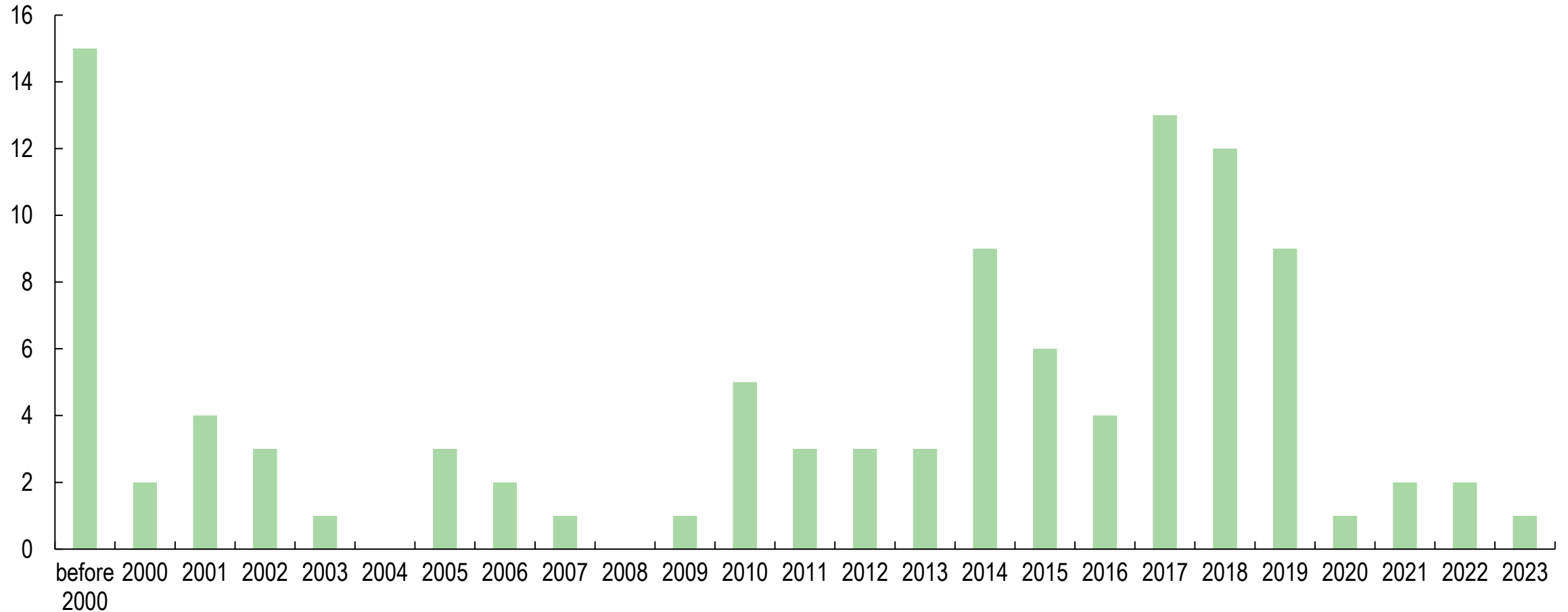
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SSB excise taxes



# SSB excise taxation is gaining international momentum

## Number of jurisdictions introducing an SSB excise tax





# Health tax design options

How to design health taxes? It depends on multiple factors

- Priority: raising revenues or improving health ?
- Specific population group to be targeted ?
- Strong tax administration capacities ?
- Specific objective ? e.g. product reformulation

