

# NEWS RELEASE

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NATIONAL COUNCIL ON ALCOHOLISM AND DRUG DEPENDENCE – NEW JERSEY  
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## NCADD-NJ Proposes Alcohol Excise Tax Increase

TRENTON ... (February 3, 2003) -- The National Council on Alcoholism and Drug Dependence-New Jersey today proposed that the state increase its excise tax on alcohol. In addition to NCADD-NJ, the proposed tax increase on alcoholic beverages received support from the Association of Treatment Providers and Mothers Against Drunk Driving. The impetus for the tax increase is the benefit it would have on the public health, primarily by helping to reduce underage drinking, just as tobacco tax increases have greatly curtailed youth smoking.

“Last week, we learned that the Governor intends to again raise the cigarette tax,” NCADD Director of Public Affairs and Policy John Hulick said. “We support the increased cigarette taxes and agree with Governor McGreevey’s reason for the increases. It’s good for the public health of New Jersey, particularly its youth. Today, NCADD-New Jersey urges the Governor and the State Legislature to increase the state’s tax on alcohol. We also propose that New Jersey dedicate a larger portion of the additional revenues generated from the increase to prevent and treat alcoholism, to reduce drunken driving through increased resources for enforcement and to discourage underage drinking through an aggressive tax that, like the one on cigarettes, creates a price barrier for youth and funds a comprehensive public policy plan.”

Currently, New Jersey ranks 39<sup>th</sup> in its excise tax on beer, 22<sup>nd</sup> in its wine excise tax and 10<sup>th</sup> on spirits tax. Based on 2002 revenue projections and current tax rates, New Jersey can expect to generate about \$93 million in revenue. The state could expect to at least triple that amount if it was first in the country on alcohol taxes. In this scenario, New Jersey would generate nearly \$300 million in revenue.

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“Most importantly,” Hulick said, “it would mean more money to discourage underage drinking and more money for alcohol treatment, prevention and drunken driving enforcement efforts.”

“Governor McGreevey and the State Legislature should be consistent in their cigarette and alcohol tax when it comes to improving the health, safety and well-being of New Jersey’s youth,” Hulick said.

“It’s important to remember that alcohol is the number one drug of choice among the state’s youth. The recent *Monitoring the Future Study* found that two out of every five 8<sup>th</sup> graders report use of alcohol in the last year. By 12th grade, nearly 72 percent of students report using alcohol in the last year and one in three report having been drunk in the last 30 days.”

“While these statistics are alarming,” Hulick said, “they fail to capture the real risks of underage alcohol use to the health, well-being, and safety of New Jersey’s children. For example, underage drinkers are more likely to suffer from depression. They are at higher risk for suicide. They are more likely to be injured while under the influence of alcohol. They are more likely to develop a problem with alcohol or become alcoholic at some point in their lives. It is time for New Jersey to come to grips with this widespread, devastating health problem.”

For more than 20 years, NCADD-NJ has dedicated itself to educating the public about addiction issues, to advancing policies affecting individuals addicted to alcohol and other drugs and to reducing stigma.

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