



The research increasingly shows taxing alcohol more could save thousands of lives

Updated by [German Lopez](#) on April 15, 2016, 8:30 a.m. ET [@germanlopez](#)
german.lopez@vox.com

Alcohol is involved in more deaths than all illicit drugs combined in the US. At a death toll of [88,000](#) each year, tobacco is the only drug that kills more people, at a shocking toll of [480,000](#) deaths annually.

But Prohibition, which barred the sale of alcohol from 1920 to 1933, is [widely regarded](#) as a failure. So what can policymakers do to stop the massive death toll from alcohol?

A new [study](#) published in *The American Journal of Drug and Alcohol Abuse* affirms one of the most common policy proposals: a higher alcohol tax.

The paper looks at the effects of Maryland raising its alcohol sales tax from 6 percent to 9 percent in 2011. The result, after controlling for various socioeconomic variables:

In the 18 months after the tax increase, average per capita sales of spirits were 5.1% lower ($p < 0.001$), beer sales were 3.2% lower ($p < 0.001$), and wine sales were 2.5% lower ($p < 0.01$) relative to what would have been expected from sales trends in the 18 months prior to the tax increase. Overall, the alcohol sales tax increase was associated with a 3.8% decline in total alcohol sold relative to what would have been expected based on sales in the prior 18 months ($p < 0.001$).

In short, a higher alcohol tax does reduce alcohol consumption. And that reduced consumption, in turn, likely eliminates some of the bad outcomes attached to the drug, such as accidents, crime, and poisoning.

The study does have some limitations. Most notably, the researchers acknowledge that it's possible people crossed the border to buy booze after the sales tax hike.

But the general finding of this research has held true in multiple studies: A higher alcohol price means reduced alcohol consumption — and better outcomes.

Other research found benefits to an alcohol tax

This latest study isn't the first to find a higher alcohol tax can provide big benefits to public health.

Another [study](#), which also looked at Maryland's alcohol sales tax hike, found that the increase potentially cut gonorrhea transmissions across the state. As I [wrote](#) late last year, after the hike there was a 24 percent drop in gonorrhea rates over the next 1.5 years — preventing nearly 1,600 gonorrhea cases each year. According to researchers, there was no such drop in gonorrhea in comparable states.

"The observed alcohol tax effects (24 percent decrease in gonorrhea) are similar to effects of condom distribution (23 percent to 30 percent decrease)," the researchers found. "Moreover, condom distribution programs cost, whereas alcohol taxes generate revenues."

A broader [review of the research](#) from David Roodman, senior adviser for the Open Philanthropy Project, [made](#) the case that a higher alcohol tax could cut back on liver cirrhosis deaths:

In the end, I believe the preponderance of the evidence says that higher prices do correlate with less drinking and lower incidence of problems such as cirrhosis deaths. And I see little reason to doubt the obvious explanation: higher prices *cause* less drinking. A rough rule of thumb is that each 1 percent increase in alcohol price reduces drinking by 0.5 percent. Extrapolating from some of the most powerful studies, I estimate an even larger impact on the death rate from alcohol-caused diseases: 1-3 percent within months. By extension, a 10 percent price increase would cut the death rate 9-25%. For the US in 2010, this represents 2,000-6,000 averted deaths/year.

But alcohol hasn't been [linked](#) solely to [risky sex](#) that leads to STD transmission or liver cirrhosis. It's also been linked to [accidents](#), [domestic abuse](#), [sexual assault](#) in college campuses, [40 percent](#) of violent crimes in the US, and [more than 4.6 million](#) emergency room visits in 2010. Altogether, these statistics and the growing body of research show that a simple tax increase could save a lot of lives.