



October 22, 2019

The Honorable Richard Neal, Chairman  
The Honorable Kevin Brady, Ranking Member  
House Committee on Ways & Means  
1102 Longworth House Office Building  
Washington, D.C. 20515

Dear Chairman Neal, Ranking Member Brady, and Members of the Committee:

On behalf of National Taxpayers Union (NTU), the nation's oldest taxpayer advocacy organization, I write to express our strong opposition to H.R. 4742, the *Protecting American Lungs Act*, which is scheduled to be marked up tomorrow in your committee. Sponsored by Representatives Suozzi (D-N.Y.) and King (R-N.Y.), this legislation would significantly raise taxes and limit the ability for cigarette smokers to transition to less harmful vapor and e-cigarette products. We urge you to oppose this poorly designed proposal.

NTU has long been an advocate for excise "sin" tax rates that accurately reflect the product's level of harm to an individual and society. It is sound tax policy for these tax rates be reasonable and with purpose, rather than simply used to generate revenue. With that said, a recent study shows vaping can reduce the harm associated with smoking by as much as 95 percent, and can be as much as twice as effective as gum or patches to help users quit. Public Health England recommends smokers switch to vaping, and the American Cancer Society concludes that, based on current available information, vaping is less harmful than smoking.

While not completely safe, vapor products which do contain nicotine, but not the chemicals and carcinogens found in traditional cigarettes, can be an effective tool for smoking cessation. Due to a growing number of less harmful alternatives to cigarettes, smoking rates continue to decline, notably for young people, and has reached a record low. It is growing ever clearer that vapor products are an innovative and effective bridge for smokers transitioning toward significantly less harmful alternatives.

This legislation fails to consider either the beneficial role of vapor products in reducing cigarette usage or the significantly lower health risk associated with vaping. Instead it would simply place a tax on the nicotine in vaping products that is not commensurate with their actual level of risk to the user. While we understand that it's likely for Congress to apply some level of taxation to vaping products, it should be levied under a principled, fair, and neutral tax regime. Subjecting vapor products to the same level of tax as other tobacco products is not mindful of science and sound tax policy.

With the Joint Committee on Taxation estimating \$10 billion in new tax revenue stemming from this legislation, it would be one of the largest tax increases passed out of this committee during the 116th Congress.

It is indeed possible to keep nicotine out of the hands of underaged users without jeopardizing the great accomplishments that have been made in public health through the availability of vapor products for legal-age consumers. As such, NTU strongly believes H.R. 4742 would harm consumers in all corners of the country far more than it would help them. Accordingly, we encourage you to oppose this bill and instead work toward a more reasonable approach towards the taxation of vapor products.

Sincerely,

Thomas Aiello  
Policy and Government Affairs Associate