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27 MARCH 2009

No April Fool's Joke: Obama Broken Promise to Take Effect April 1

Federal excise tax on cigarettes to increase by 61 cents per pack on April 1

WASHINGTON, D.C.— As office pranksters get to play their annual practical joke on people next Wednesday, one segment of the population dreads the arrival of April Fool's Day for reasons other than becoming the butt of a practical joke: tobacco consumers will see their taxes go up drastically on April 1 2009, when the 156 percent – or 61 cents per pack - cigarette tax increase Congress passed and President Obama quickly signed shortly upon assuming office will take effect.

In signing the tax increase, which was contained in the State Children's Health Insurance Reauthorization Act of 2009, Obama broke one of his central campaign promises – his commitment not to raise taxes on anyone making less than \$250,000:

“I can make a firm pledge. Under my plan, no family making less than \$250,000 a year will see any form of tax increase. Not your income tax, not your payroll tax, not your capital gains taxes, not any of your taxes” (Barack Obama, September 12, 2008, Dover, NH).

[Video footage of above quotation: <http://www.youtube.com/watch?v=Q8erePM8V5U>]

Shouldering the burden of this tax increase are the middle- and low-income Americans Obama said he would not raise taxes on:

- 55 percent of smokers are “working poor”
- One in four smokers live below the poverty line
- On average, smokers, whose median income is a little more than \$36,000, make about 30 percent less than non-smokers.

“President Obama may just laugh it off, as he has gotten into the habit of doing – but for these consumers of legal products most of whom make significantly less than \$250,000 this broken promise resulting in a tax increase is all but funny,” says Grover Norquist, president of Americans for Tax Reform. “These are tough economic times, yet the only answer President Obama seems to have is to tax, spend and break a few promises along the way. Is this ‘change we can believe in?’”

Americans for Tax Reform is a non-partisan coalition of taxpayers and taxpayer groups who oppose all tax increases. For more information or to arrange an interview please contact John Kartch at (202) 785-0266 or by email at jkartch@atr.org.

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