



## **TAXING MARIJUANA WON'T HELP THE BUDGET. IT WILL PUT THE NAIL IN THE COFFIN!**

*By Roger Morgan, Exec Director, Coalition for A Drug-Free California*

The National Center of Addiction and Substance Abuse (CASA) at Columbia University reports that for every **\$1 in tax revenues collected for alcohol and tobacco equates to \$8.95 in social costs.** ([www.casacolumbia.org](http://www.casacolumbia.org), *Shoveling Up: The Impact of substance abuse on local, state and federal budgets*). Marijuana combines the harms of both, and in all probability will be worse, and add tens of billions in cost to the California budget.

According to [www.consumeraffairs.com](http://www.consumeraffairs.com), in 2005 the combined federal and state alcohol tax collections were **\$18 billion, compared to social costs of \$185 billion.** California alcohol taxes were **\$368 million compared to \$38.4 billion on the social costs.**

Federal and State taxes on cigarettes average **\$2.32 a pack compared to \$10.38 in social costs.** ([www.tobaccofreekids.com](http://www.tobaccofreekids.com)). Tobacco, which is regulated and controlled, also **kills 433,000 Americans annually.** Get the drift?

**Regulation and control through legalization only works to increase the social and economic costs,** and the pain and misery that goes with it. Prohibition of alcohol did work. Repealing it just legitimized criminals like Al Capone, putting a white collar on them instead of a striped suit. The surge in alcohol use after prohibition caused enormous increases in health, welfare, crime and accidents. Marijuana combines the harms of both tobacco and alcohol, and the adverse economic outcome will be much worse.

The State Board of Equalization (BOE) estimate that legalization would generate \$1.4 billion in additional tax revenues was careless and misleading. This estimate itself was based solely on self-serving input furnished by Jon Gettman, former National Director of NORML (National Organization for Reform of Marijuana Laws) and was later discredited by the highly respected Rand Corporation. It overstated income and made no mention of the additional harms and social costs of marijuana, which would vastly outweigh any benefit.

There is no aspect of the California budget where greater gains are possible than in preventing substance abuse, and yet the State spends only 1/3<sup>rd</sup> of 1% on prevention and the balance shoveling up the damage. Making marijuana even more readily available will only add to the harm.