

# INCREASING ALCOHOL EXCISE TAXES: POURING POTENTIAL INTO NEW MEXICO COMMUNITIES

## Executive Summary

New Mexico has had the highest rate of alcohol-related deaths of all U.S. states since 1997, and has ranked 1st, 2nd, or 3rd since 1981.<sup>1</sup> Harms from alcohol cost our state billions every year, cut lives short, exacerbate health disparities, and drain potential from our communities.<sup>2–4</sup> One in five deaths among working age adults ages 20-64 in New Mexico is attributable to alcohol.<sup>5</sup> Increasing the price of alcohol is one of the most impactful public health policies around alcohol, yet alcohol taxes in the state haven’t been raised since 1993.<sup>6</sup> Raising alcohol excise taxes by just a quarter per drink would generate approximately \$250 million in annual funds to directly help communities statewide and reduce alcohol consumption by 10%.<sup>7</sup>

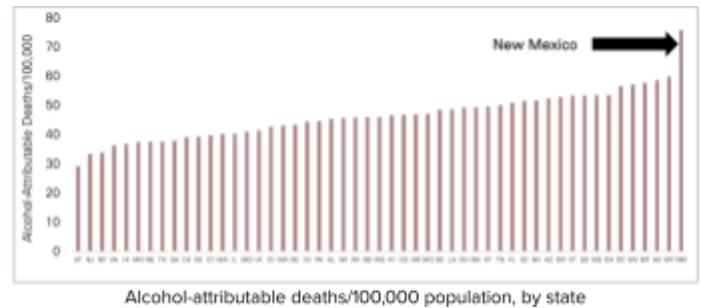
## Background

Compared to other states, New Mexico suffers disproportionate harms from alcohol. In 2021, 2,274 New Mexicans died from alcohol-related causes – that’s equivalent to losing one person every four hours, around the clock.<sup>1</sup> These deaths are not just from alcohol use disorder; alcohol is associated with hypertension, cancer, stroke, depression, anxiety, suicide, intimate partner violence, gun violence, and injury including falls, burns, and motor vehicle crashes.<sup>3,8–12</sup> In fact, six of the ten leading causes of death in New Mexico are associated with alcohol use.<sup>5</sup>

The good news is that New Mexico can move the needle on these harms. By investing in programs to deliver vital prevention and treatment efforts to communities most impacted, we will begin to address the enormous burden of alcohol-related harms.

## Raising the Alcohol Excise Tax

Implementing a \$0.25 per drink increase in alcohol taxes holds the potential to generate significant revenue to fund critical public health initiatives while simultaneously reducing alcohol consumption. Increasing the price of alcohol through excise taxes is a powerful, evidence-based and CDC-recommended public health strategy.<sup>7,13–19</sup> The funding generated from increasing the tax can mitigate health disparities and, importantly, 75% of the tax revenue would be generated by excessive drinkers. Increasing the tax would improve public health by both allocating resources toward vital alcohol treatment and prevention programs and curbing consumption.




**An Increase of \$0.25/Drink Could Fund These Initiatives:**

- Alcohol prevention, treatment and recovery services
- Culturally relevant prevention and harm reduction initiatives on lands of Native nations, tribes, and pueblos
- Behavioral health treatment for justice-involved populations
- Addressing social determinants of health related to alcohol misuse (e.g., transportation, housing assistance)
- Support for victims of alcohol-related crimes, including domestic violence and sexual assault
- Coordinator to align statewide efforts to prevent and reduce alcohol harms

**We need your support.  
It is time to pour potential into New Mexican communities!**

# ALCOHOL USE IN NEW MEXICO



- Every four hours, a New Mexico resident dies from alcohol-related causes.<sup>1</sup>
- From 2010-2020, at least 42% of homicide victims and 32% of suicide victims in New Mexico were drinking alcohol at the time of their death.<sup>2</sup>
- Approximately 73,000 New Mexico residents living with alcohol use disorder do not receive treatment.<sup>3</sup>
- Alcohol is associated with myriad health conditions: hypertension, at least seven types of cancer, stroke, depression, anxiety, suicide, intimate partner violence, gun violence, and injury including falls, burns, and motor vehicle crashes.<sup>4</sup>
- Raising alcohol excise taxes by just a quarter per drink could reduce alcohol consumption by about 10% and generate over \$250 million in annual tax revenue to directly benefit our communities most impacted by alcohol.
- Alcohol policies work. More restrictive alcohol policies protect against alcoholic liver disease, motor vehicle crashes, intimate partner violence, and even gun violence and homicide. Increasing the price of alcohol through excise tax is a powerful, evidence-based public health policy to reduce excessive alcohol consumption and related harms.<sup>5-7</sup>
- If taxes increased by \$0.25/standard drink, research indicates the most taxes would be paid by those who are 'white, male, aged 21–50 years, earning \$50,000+ per year, employed, and had a college degree'.<sup>8</sup>

1 Stahre M, Roeber J, Kanny D, Brewer RD, Zhang X. Contribution of Excessive Alcohol Consumption to Deaths and Years of Potential Life Lost in the United States. *Prev Chronic Dis* 2014;11:130293. DOI: <http://dx.doi.org/10.5888/pcd11.130293>

2 <https://nminddepth.com/2022/a-missing-ingredient/>

3 New Mexico Department of Health. (2021). New Mexico Substance Use Disorder Treatment Gap Analysis. NM Health. <https://www.nmhealth.org/publication/view/marketing/5596/>

4 Shield, K.D., Parry, C. and Rehm, J., Chronic Diseases and Conditions Relation to Alcohol Use. *Alcohol Res.* 2014; 35(2): 155-171, <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3908707/>

5 Guindon GE, Zhao K, Fatima T, Garasia S, Quinn N, Baskerville NB, et al. Prices, taxes and alcohol use: a systematic umbrella review. *Addiction.* 2022; 117(12): 3004–3023. <https://doi.org/10.1111/add.15966>

6 Hadland SE, Xuan Z, Blanchette JG, Heeren TC, Swahn MH, Naimi TS. Alcohol Policies and Alcoholic Cirrhosis Mortality in the United States. *Prev Chronic Dis* 2015;12:150200. DOI: <http://dx.doi.org/10.5888/pcd12.150200>.

7 Naimi TS, Xuan Z, Sarda V, et al. Association of State Alcohol Policies With Alcohol-Related Motor Vehicle Crash Fatalities Among US Adults. *JAMA Intern Med.* 2018;178(7):894–901. doi:10.1001/jamainternmed.2018.1406

8 Daley, J. I., Stahre, M. A., Chaloupka, F. J., & Naimi, T. S. (2012). The impact of a 25-cent-per-drink alcohol tax increase. *American Journal of Preventive Medicine*, 42(4), 382–389. <https://doi.org/10.1016/j.amepre.2011.12.008>

## References

1. New Mexico Department of Health Indicator-Based Information System. New Mexico's Health Indicator Data & Statistics. Published 2023. <https://ibis.doh.nm.gov/indicator/summary/SuicDeath.html>
2. Sacks JJ, Gonzales KR, Bouchery EE, Tomedi LE, Brewer RD. 2010 National and State Costs of Excessive Alcohol Consumption. *Am J Prev Med*. 2015;49(5):e73-e79.
3. Esser MB, Leung G, Sherk A, et al. Estimated Deaths Attributable to Excessive Alcohol Use Among US Adults Aged 20 to 64 Years, 2015 to 2019. *JAMA Netw Open*. 2022;5(11):e2239485-e2239485. doi:10.1001/jamanetworkopen.2022.39485
4. Bloomfield K. Understanding the alcohol-harm paradox: what next? *Lancet Public Health*. 2020;5(6):e300-e301. doi:10.1016/S2468-2667(20)30119-5
5. New Mexico Department of Health. New Mexico Substance Use Epidemiology Profile, 2022. Published online 2022. <http://nmhealth.org/about/erd/ibeb/sap/>
6. Naimi TS, Blanchette JG, Xuan Z, Chaloupka FJ. Erosion of state alcohol excise taxes in the United States. *J Stud Alcohol Drugs*. 2018;79(1):43-48.
7. Elder RW, Lawrence B, Ferguson A, et al. The effectiveness of tax policy interventions for reducing excessive alcohol consumption and related harms. *Am J Prev Med*. 2010;38(2):217-229.
8. Centers for Disease Control and Prevention. ARDI Alcohol-Attributable Deaths, NM | CDC. Published 2023. Accessed July 16, 2023. [https://nccd.cdc.gov/DPH\\_ARDI/Default/Report.aspx?T=AAM&P=6469F34A-235F-4853-B553-BF61633FA40C&R=79749327-0F0E-4929-966C-AA2D04D5FEC2&M=0DDD0C27-932F-4E75-AEA1-71D22ED431F7&L=&F=AAMCauseGenderNew&D=A](https://nccd.cdc.gov/DPH_ARDI/Default/Report.aspx?T=AAM&P=6469F34A-235F-4853-B553-BF61633FA40C&R=79749327-0F0E-4929-966C-AA2D04D5FEC2&M=0DDD0C27-932F-4E75-AEA1-71D22ED431F7&L=&F=AAMCauseGenderNew&D=A)
9. Rehm J. The Risks Associated With Alcohol Use and Alcoholism. *Alcohol Res Health*. 2011;34(2):135-143.
10. Baan R, Straif K, Grosse Y, et al. Carcinogenicity of alcoholic beverages. *Lancet Oncol*. 2007;8(4):292-293. doi:10.1016/S1470-2045(07)70099-2
11. Alcohol's Effects on the Body | National Institute on Alcohol Abuse and Alcoholism (NIAAA). Accessed November 28, 2023. <https://www.niaaa.nih.gov/alcohols-effects-health/alcohols-effects-body>
12. Saitz R. Unhealthy alcohol use. *N Engl J Med*. 2005;352(6):596-607.
13. Esser MB, Waters H, Smart M, Jernigan DH. Impact of Maryland's 2011 alcohol sales tax increase on alcoholic beverage sales. *Am J Drug Alcohol Abuse*. 2016;42(4):404-411.
14. Nelson JP, McNall AD. Alcohol prices, taxes, and alcohol-related harms: A critical review of natural experiments in alcohol policy for nine countries. *Health Policy*. 2016;120(3):264-272.
15. Ramirez RL, Jernigan DH. Increasing alcohol taxes: Analysis of case studies from Illinois, Maryland, and Massachusetts. *J Stud Alcohol Drugs*. Published online 2017:763-769.
16. Semple K, Westbrook A. Opinion | A Toast to Raising Alcohol Taxes. *The New York Times*. <https://www.nytimes.com/2023/05/04/opinion/alcohol-tax-costs.html>. Published May 4, 2023. Accessed November 28, 2023.
17. Wagenaar AC, Tobler AL, Komro KA. Effects of alcohol tax and price policies on morbidity and mortality: a systematic review. *Am J Public Health*. 2010;100(11):2270-2278.
18. Xuan Z, Nelson TF, Heeren T, et al. Tax policy, adult binge drinking, and youth alcohol consumption in the United States. *Alcohol Clin Exp Res*. 2013;37(10):1713-1719. doi:10.1111/acer.12152
19. Xuan Z, Chaloupka FJ, Blanchette JG, et al. The relationship between alcohol taxes and binge drinking: evaluating new tax measures incorporating multiple tax and beverage types. *Addiction*. 2015;110(3):441-450. doi:10.1111/add.12818