



EMBARGOED FOR RELEASE 5-19-11

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Maryland Governor Signs New Alcohol Tax

\$87 Million in New Annual Revenue Expected

SAN FRANCISCO, CA (May 19, 2011) – Marin Institute, the alcohol industry watchdog, joined with allies in Maryland today in thanking Governor O’Malley and the Maryland legislature for enacting the state’s first new alcohol tax in almost 40 years. The increase, which takes effect on July 1, will raise at least \$87 million a year for critical public health and education programs.

"We commend Governor Martin O'Malley and the Maryland General Assembly for this great public health victory for our state," said Vincent DeMarco, president of the Maryland Citizens' Health Initiative. *"The new alcohol sales tax increase will save lives by reducing underage drinking and over-consumption while also providing much-needed revenue to fund critical health care and community services in our state."*

Raising alcohol taxes and prices is one of the most effective public health policies available to reduce alcohol-related harm. Even heavy drinkers will consume less when prices go up. According to Professors David Jernigan and Hugh Waters of the Johns Hopkins Bloomberg School of Public Health, the 3 percent alcohol sales tax increase will prevent 14 deaths, 125 cases of aggravated assault, 26 incidents of violence against children, and almost 6,000 cases of alcohol abuse or dependence every year.

"This victory is proof positive that Big Alcohol's lobbying efforts to prevent sound public health policy can be overcome," said Michele Simon, JD, MPH, research and policy director at Marin Institute. *"Despite industry's influence and generous campaign contributions, public support, hard work, and political will can still align to produce a public health success."*

Maryland’s current rates had remained unchanged for decades, since 1955 for spirits and 1972 for wine and beer. Until this increase, only three other states had lower taxes on spirits while Maryland’s taxes on beer and wine ranked 44th and 37th nationally.

"We hope other state legislatures and governors looking for alternatives to draconian cuts to budgets and services will be empowered by Maryland's victory," Simon added. *"States should enact long-overdue alcohol tax increases and index them to inflation to prevent future revenue losses."*

For more information on raising alcohol taxes, go to: www.MarinInstitute.org

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