



## IT'S TIME TO BAN THE SALE OF DUTY-FREE TOBACCO



# DUTY FREE

## CIGARETTES KILL

Why should they be discounted for people who leave or enter the country?

The Smokefree Coalition would like to see the sale of duty-free cigarettes and tobacco banned because:

- raising the price of cigarettes through tax is an important deterrent to would-be smokers and there is no reason why the purchase of some cigarettes should be exempt from taxation
- the lower price of duty-free tobacco encourages travellers to buy cigarettes in larger quantities than usual
- allowing the tax-free purchase of cigarettes is a glaring anomaly in the government's approach to tobacco smoking, and a gap in its international commitments.

***TO HELP REDUCE TOBACCO SMUGGLING WORLDWIDE, NEW ZEALAND NEEDS TO JOIN WITH OTHER NATIONS IN ENDING ALL DUTY FREE SALES***

A worldwide ban on the duty-free sale of tobacco products at borders and airports would greatly diminish the wholesale trade in untaxed cigarettes, which is a primary source of large-scale smuggled tobacco. Such a ban would be effective in curbing smuggling and reducing consumption, including among young people and people of low income - smokers deliberately targeted with smuggled products.<sup>1</sup>

<sup>1</sup> Framework Convention Alliance: Third meeting of the intergovernmental negotiation body. Retrieved on 9 May 2007 from [http://fctc.org/archives/inb3\\_intervention\\_dutyfree\\_WHF.shtml](http://fctc.org/archives/inb3_intervention_dutyfree_WHF.shtml)





## THE TAX-FREE SALE OF CIGARETTES ENCOURAGES SMOKING

The World Health Organization states that 'to end all duty-free tobacco sales would be consistent with WHO health policy targets of reducing tobacco use, as tax-free sale makes cigarettes available cheaply.'

A small but significant percentage of tobacco purchases escape taxation because these products are available in duty-free stores. This concession comes across as a government endorsement of cigarette smoking.

## THE FRAMEWORK CONVENTION ON TOBACCO CONTROL (FCTC)

The FCTC is a World Health Organization initiative signed and ratified by many countries including New Zealand. Under the FCTC there is an obligation to discourage the sale of duty-free tobacco. Article 6 of the treaty states 'Duty-free sales are discouraged. Parties may prohibit or restrict duty-free sales of tobacco products.'



## OTHER COUNTRIES ARE CURRENTLY EXPLORING WAYS TO BAN DUTY-FREE TOBACCO PRODUCTS

Several countries are revising their policies on duty-free tobacco products. In Singapore, for example, inbound passengers receive no duty-free tobacco allowance, and duty-free tobacco products are now no longer available to travellers within the European Community.