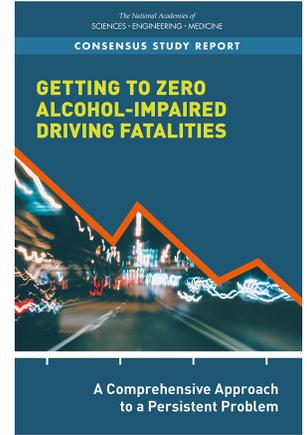




GETTING TO ZERO ALCOHOL-IMPAIRED DRIVING FATALITIES

GOVERNMENTS SHOULD SIGNIFICANTLY INCREASE ALCOHOL TAXES

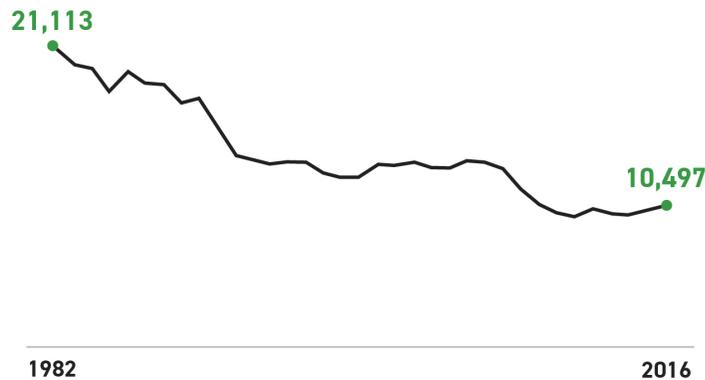


Alcohol-impaired driving is the deadliest and costliest danger on roads in the United States. It's also preventable. Promising technologies and policies can be leveraged to reach a bold goal: zero deaths from drinking and driving.

Adopting policy interventions to reduce excessive drinking before driving is an important population-based strategy to reduce injuries and fatalities from alcohol-impaired driving. One such intervention is raising alcohol taxes.

The report *Getting to Zero Alcohol-Impaired Driving Fatalities: A Comprehensive Approach to a Persistent Problem* recommends that federal and state governments **increase alcohol taxes** enough to have a meaningful impact on price and thus on reducing alcohol-related crash fatalities.

Alcohol-Impaired Driving Fatalities in the United States, 1982–2016



Number of Fatalities

The plateauing fatality rates indicate that progress has stagnated and even reversed.

A PERSISTENT PROBLEM

Binge drinking (consuming 4-5 alcoholic drinks over 2 hours) accounts for roughly **88 percent** of all alcohol-impaired driving episodes.

In 2016, alcohol-impaired driving fatalities accounted for 28 percent of traffic deaths with a total of **10,497 lives lost.**

The most recent available data show that in one year, the societal cost of alcohol-impaired driving crashes, including medical costs, legal expenses, property damages, productivity losses, and more was **\$121.5 billion.**

RECOMMENDED ACTION

Federal and state governments should increase alcohol taxes significantly.

Alcohol tax increases should represent a meaningful percentage of the net-of-tax price (e.g., 30% or more) of alcohol products and cover the secondhand costs of alcohol. These taxes can be levied as specific excise taxes (based on a fixed amount per unit volume of alcohol) or as *ad valorem* (based on a percentage of the price). Specific excise taxes may be preferred because it is the volume of alcohol that is associated with alcohol-impaired driving. Because volume-based excise taxes erode with inflation, they must be indexed to inflation.

Key facts

Direct scientific evidence indicates that higher taxes reduce alcohol-impaired driving and fatal motor vehicle crashes.

There is a strong inverse relationship between taxes and binge drinking; that is, an increase in alcohol taxes is associated with a decrease in binge drinking, which is linked to alcohol-impaired driving.

Currently, alcohol-specific excise taxes at the state and federal levels are low in absolute terms. Prior to 2017, federal alcohol taxes had not been changed since 1991, and due to inflation, the value of taxes has eroded over time.

Alcohol taxes can be earmarked to support alcohol-impaired driving-related activities (e.g., funding sobriety checkpoints), which may enhance public support.

WHY INCREASE ALCOHOL TAXES?

The scientific evidence is strong.

There is strong scientific evidence that indicates the effectiveness of increasing alcohol taxes for reducing binge drinking and alcohol-related motor vehicle fatalities. For example, one study suggests that doubling alcohol taxes could reduce traffic crash deaths by 11 percent.

Alcohol excise taxes are low.

Current alcohol taxes do not cover costs attributable to alcohol-related harms (e.g., health care costs, lost productivity, criminal justice costs), which amount to \$2.00 per standard drink. Forty percent of these costs is paid by federal and state governments. By comparison, after factoring in federal and state alcohol taxes, the average tax per standard drink is less than \$0.20. The Tax Cuts and Jobs Act of 2017 decreased federal alcohol excise taxes by about 16 percent. A recent analysis by the Urban-Brookings Tax Policy Center estimated that this reduction in taxes would cause between 280 to 660 additional motor vehicle deaths and 1,550 total alcohol-related deaths from all causes per year.

There are positive spillover effects.

In addition to reducing alcohol-related motor vehicle deaths, increasing taxes could reduce other alcohol-related harms (e.g., underage drinking, violence victimization). In addition, money diverted from alcohol production and consumption to other sectors of the economy could produce gains for those sectors. For example, one economic analysis showed that alcohol tax increases lead to net increases in jobs at the state level because of the transfer of jobs and spending from alcohol-related sectors to other sectors of the economy (e.g., government services or health care).

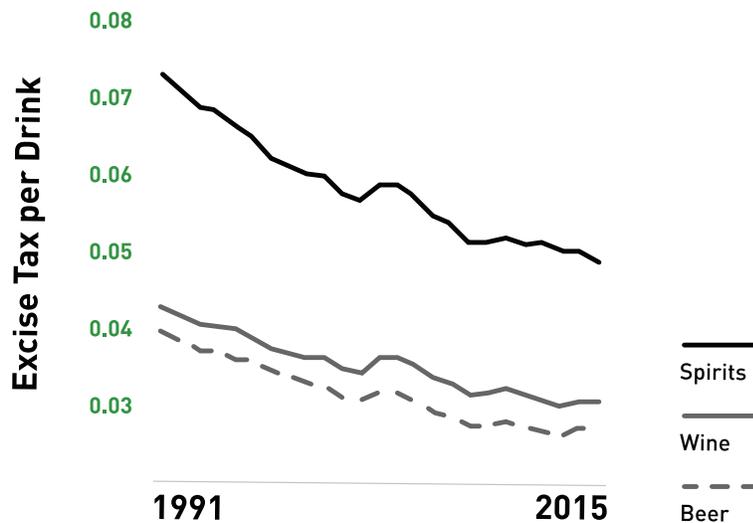
Raising alcohol taxes is cost-effective.

Because a tax-collecting infrastructure is already in place, increasing alcohol taxes at the federal and state levels is a relatively low-cost intervention with high benefits. Raising taxes is likely to generate government revenue and reduce societal costs associated with excessive alcohol consumption and alcohol-impaired driving (e.g., lost productivity, physical and emotional costs due to injury or disability, and health care costs).

There is public support for alcohol taxes.

Public opinion polling data suggest substantial support for increasing alcohol taxes, particularly if some or all of the proceeds are earmarked for preventing or treating alcohol-related problems like underage drinking or alcohol use disorder.

Average inflation-adjusted specific alcohol excise taxes among U.S. states, 1991 to 2015



SOURCE: Naimi et al., 2018.

NOTE: The figure includes all 50 U.S. states for beer and 32 states for distilled spirits and wine (those 32 states without any state monopoly on wholesale distribution or retail sales of either distilled spirits or wine).

CONCLUSION

Each alcohol-impaired driving crash represents a failure of the system, whether that is excessive alcohol service, lack of safe and affordable transportation alternatives, lack of adequate clinical services, or lack of effective policies or enforcement. A systems approach—coordinated, systematic, multi-level, and spanning multiple sectors—is needed to accelerate change. Raising alcohol taxes significantly is one evidence-based, population-level intervention with widespread impact that could help reach a bold goal: zero deaths from drinking and driving.

To download a free copy of the full report and other resources, please visit nationalacademies.org/endDWIdeaths

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