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## **Excise hike to further fuel tobacco black-market**

British American Tobacco Australia (BATA) today warned of significant growth in the illegal tobacco market as another 12.5% tobacco excise increase takes effect.

The tax shock is the fourth in an annual series to hit smokers in the back pocket. A further four annual tax shocks are set to begin in 2017.

BATA spokesperson Nick Booth said today's tobacco excise hike would further fuel the tobacco black-market as smokers look to alternatives.

"We know from a report by KPMG that 2.4 million kilograms of illegal tobacco were sold in Australia last year – that means one in every seven cigarettes sold was illegal.

"This equated to \$1.5 billion in lost revenue to taxpayers. This latest increase will only worsen an already precarious situation.

"BATA calls for greater enforcement of the tobacco black-market before it gets out of control" said Mr Booth.

**- ENDS -**

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