



New York Association of Convenience Stores  
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**Jim Calvin's remarks at Stop Tobacco Contraband Coalition press conference  
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Greetings from Albany, New York, the capital of the state with the dubious distinction as America's undisputed capital of cigarette tax evasion.

So pervasive is this problem that today, more than half the cigarettes consumed by New Yorkers are purchased without payment of any state or local tax whatsoever.

Our State incited this tax evasion stampede by nearly quintupling its cigarette excise tax in the span of eight years – without closing off well-established channels for dodging that tax.

Consequently, hundreds of thousands of New York smokers routinely buy cigarettes from Native American stores, black-market entrepreneurs, and Internet and mail-order vendors, none of whom charge the applicable state and local taxes of about \$3.25 a pack statewide, and about \$5.00 a pack in New York City, and none of whom verify the purchaser's age.

Internet sales are the fastest growing slice of this cigarette tax evasion pie. They began surging in 2003 when both New York State – after tripling its cigarette excise tax – and New York City – after increasing its own tax 1,700 percent – banned indoor smoking. This chased smokers out onto the sidewalk, where they could be easily identified and handed a leaflet promoting CheapSmokes.com

For many New York smokers, tax avoidance has become a way of life. But it takes an enormous toll on the rest of us. It cripples tax-collecting stores by depriving us of legitimate sales in a core product category. It thwarts public health initiatives by removing the financial incentive to quit smoking. And it squanders desperately needed tax revenue – \$1.7 Billion a year, according to our economist. That's \$4.6 Million every day.

We are fortunate, however, to have a number of outstanding public officials in New York leading the battle to eliminate the scourge of tax-free cigarettes.

One of them is Congressman Anthony Weiner, who represents Brooklyn, Queens, and the principles of tax fairness, public safety, and homeland security. Nowhere has his reputation as a thoughtful fighter been more evident than on this issue.

He sponsored the PACT Act in the House, and shepherded its passage on May 21st. We are proud to have him on our side in this struggle, and honored to have him by our side today. Congressman Weiner.