Comparative Study of Tax on Tobacco Products in the SAARC Region

नेपाल विकास अनुसन्धान प्रतिष्ठान
Nepal Development Research Institute

Lead Author

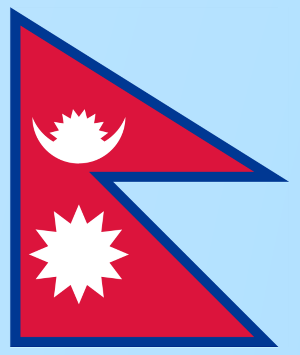
Ruzel Shrestha , NDRI

Tax Rate : 71%

Tax Type : Non-uniform Ad-valorem Excise Duty

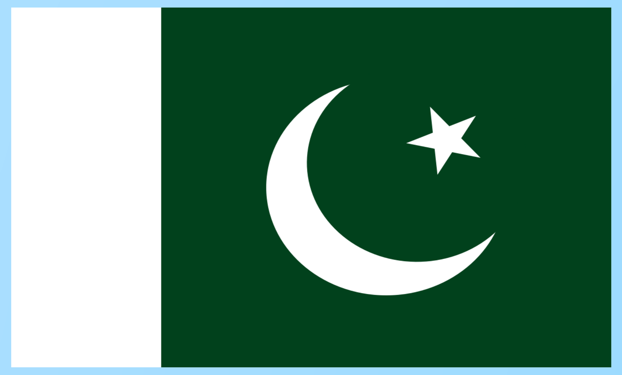
Tax Rate : 54.04%

Tax Type : Non-uniform- Mix of Specific and Ad-valorem Excise Duty



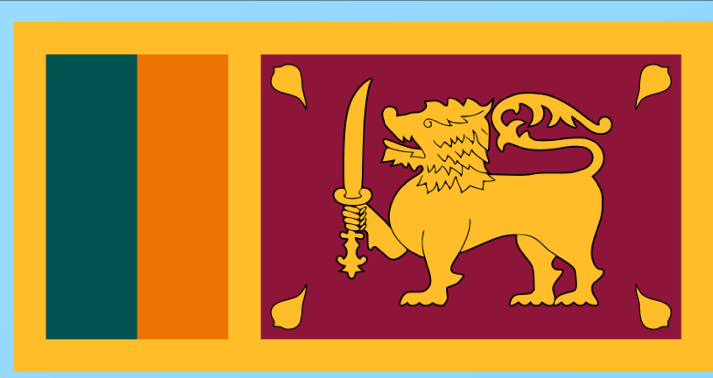
Tax Rate : 30%

Tax Type : Non Uniform Specific Excise Duty



Tax Rate : 56.36%

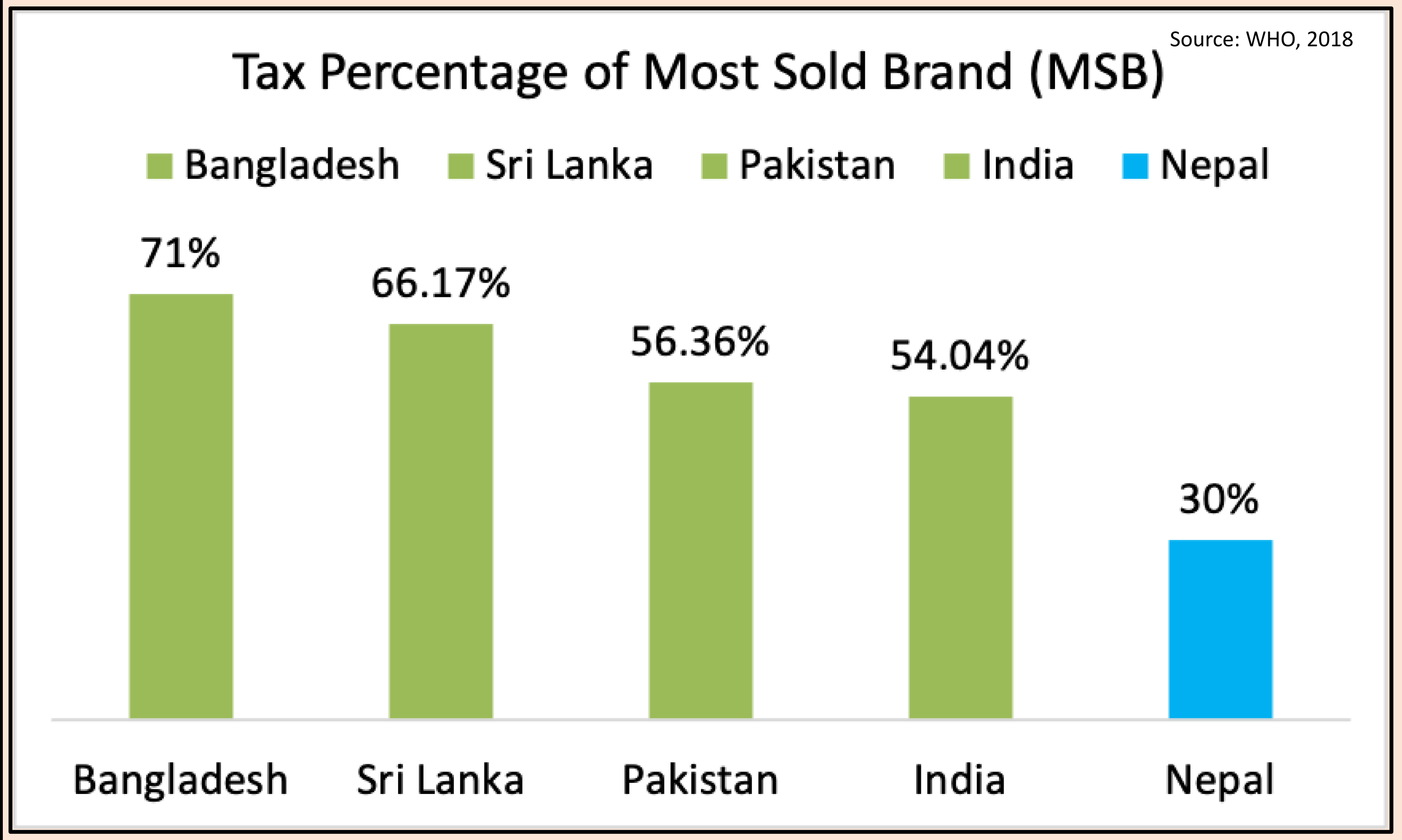
Tax Type : Non-uniform Specific Excise Duty



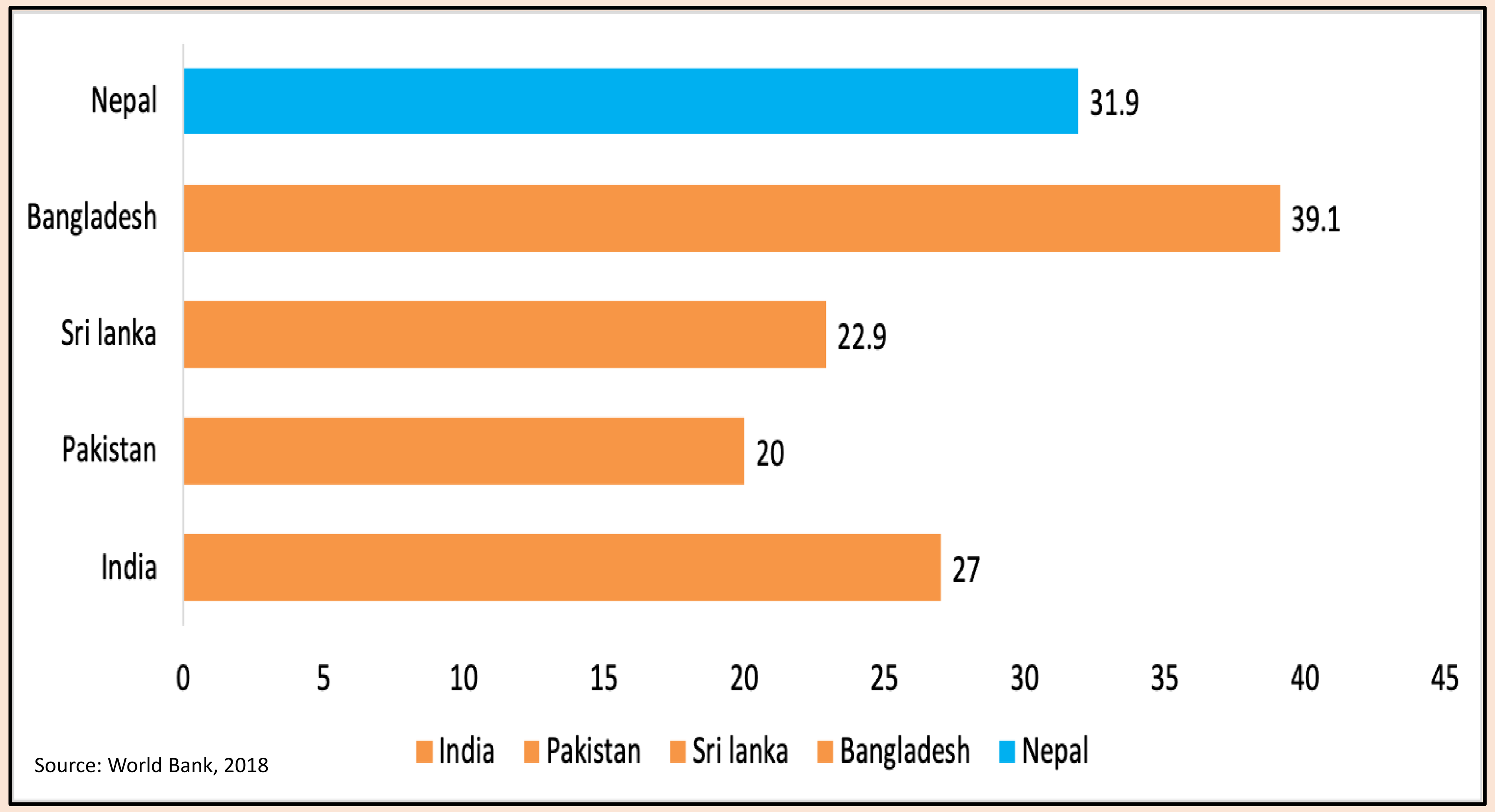
Tax Rate : 66.17%

Tax Type : Non-uniform Specific Excise Duty

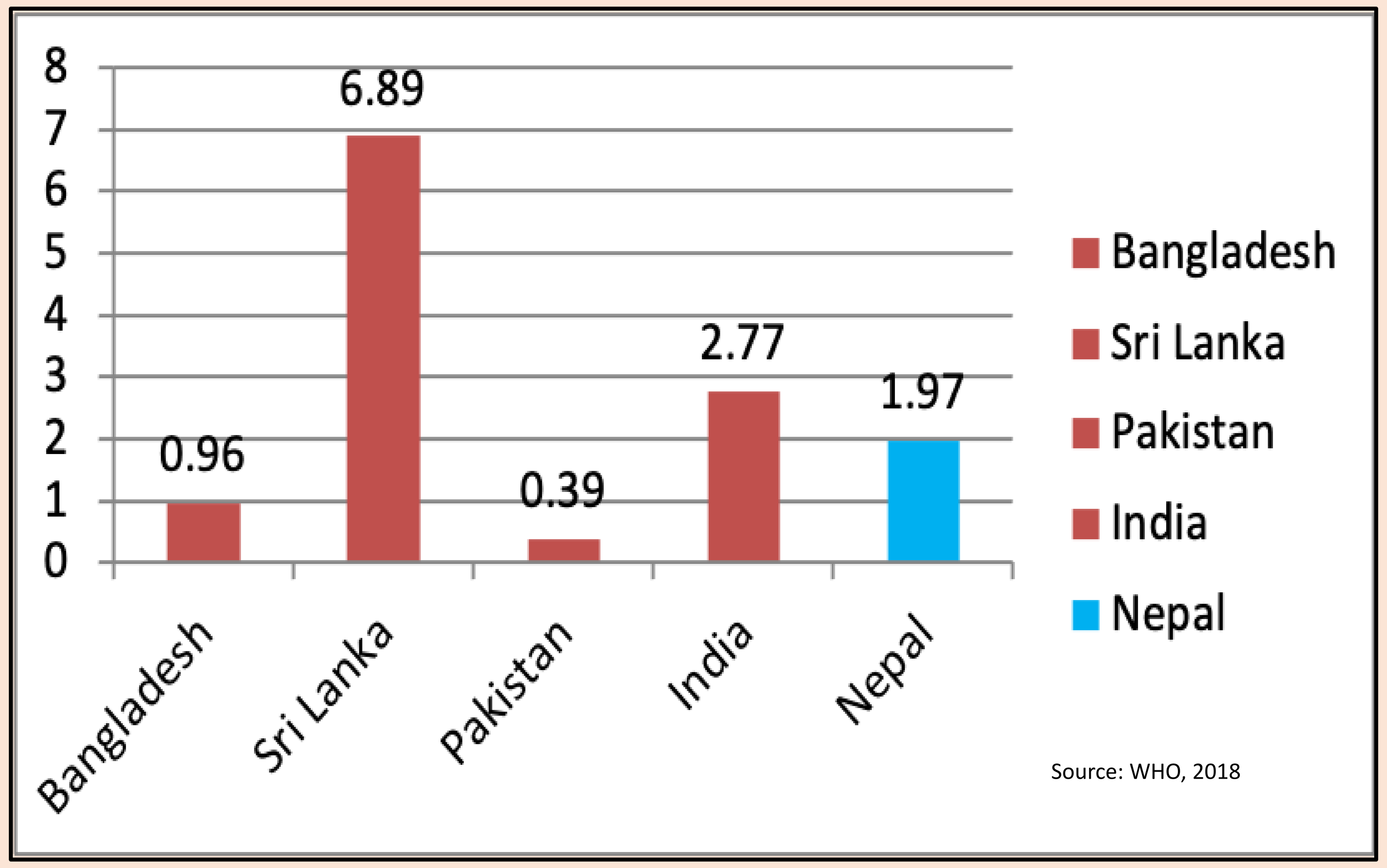
Tax Percentage



Prevelance Rate (%)



Price of Most Sold Brand (USD$)



Percentage of Revenue from Cigarettes / Tobacco (2018)

Countries	Year	Product covered	Percentage of revenue from cigarettes out of government revenue
India	2015-2016	Cigarettes	0.67%
Pakistan	2019-2020	Cigarettes	1.60%
Nepal	2018-2019	Tobacco Products	1.82%
Sri Lanka	2017-2018	Tobacco Products	4.80%
Bangladesh	2018-2019	Cigarettes	9.53%

Bangladesh

- There should be a reduction in the difference between the different tiers to discourage such kind of substitution.
- Minimize the tiers.

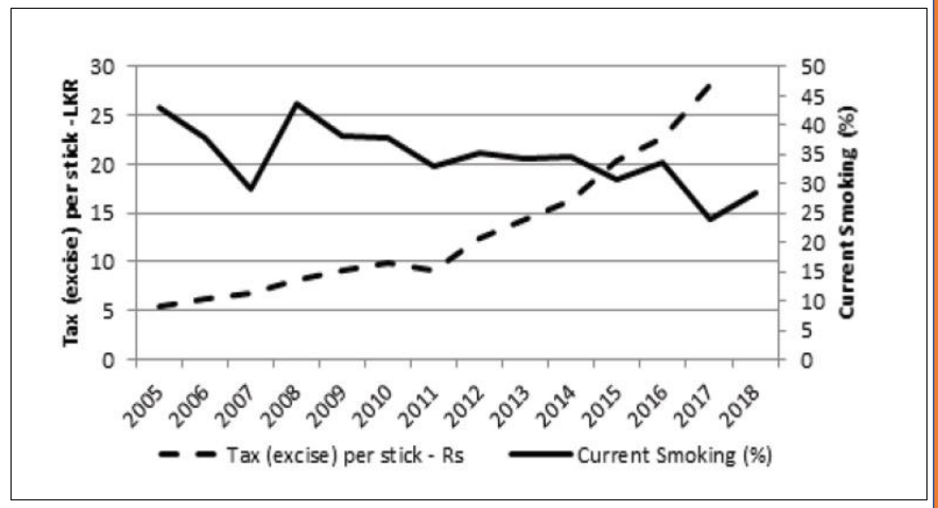
Pakistan

- Government should be alert on tobacco industries' attempt on deliberately manipulating and perusing government against effective tax policy.
- Minimize the tiers.

Sri Lanka

- Increase the tax optimally to minimize prevalence.

Key Takeaways



Increase in tax is the most effective way to reduce the prevalence of tobacco.

In Collaboration with

Other Contributors

- Devi Prasad Sharma, Former Under secretary of MoF
- Jaya K Gurung, NDRI
- Sangita Shakya, NDRI
- Inisa Shrestha, NDRI
- Subash Adhikari, NDRI
- Anjana Lamichhane, NDRI

References

-World Bank Report
-World Health Organisation
-Nepal Development Research Institute Reports and Policy brief.