



Testimony to the New York State Legislature regarding the Proposed Tax Increase on Nicotine Pouches

Subject: Opposition to the Reclassification and Tax Increase on Tobacco-Free Nicotine Pouches

Submitted by: World Vapers' Alliance

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Summary

On behalf of the [World Vapers' Alliance \(WVA\)](#) and the thousands of consumers we represent, I am writing to express our strong opposition to the proposal to redefine nicotine pouches as tobacco products and subject them to a [75% wholesale tax](#).

While the stated goal of such legislation is often public health, the reality is that this tax increase is counterproductive, scientifically flawed, and dangerous. By significantly increasing the cost of a product that is orders of magnitude less harmful than combustible cigarettes, New York is effectively protecting cigarette consumption and making it harder for smokers to quit.

Nicotine Pouches are a Public Health Tool, Not Tobacco

The premise of this legislation is fundamentally dishonest. Nicotine pouches contain zero tobacco. They are composed of pharmaceutical-grade nicotine, plant fibers, and food-grade flavorings. Subjecting them to a "tobacco tax" is a move driven by a desire for tax revenue, not a commitment to health.

[Scientific evidence](#) shows that nicotine pouches sit at the very bottom of the risk spectrum. They involve no combustion, no smoke, and no inhalation. Research indicates that levels of potentially harmful constituents in pouches are [far lower](#) than in cigarettes and [comparable to those of traditional Nicotine Replacement Therapies](#) (NRTs) like gums or patches.

Furthermore, [population modeling](#) suggests that widespread switching from smoking to nicotine pouches in the United States could prevent up to 600,000 deaths by 2050. Subjecting these products to a punitive tax will directly reduce the number of people who switch, leading to more smoking-related deaths in New York.

The Failure of High Taxes on Vaping

We have seen this experiment before. When New York and other jurisdictions implemented steep taxes on vaping products, the results were disastrous for public health. High taxes on reduced-risk products create a "substitution effect" in the wrong direction.



Economic research, including studies from [Yale](#), has shown that increasing the cost of safer nicotine alternatives leads to an increase in cigarette sales. For every smoker who finds pouches or vapes too expensive due to tax hikes, the most likely outcome is that they will stay with the cheaper, more accessible, and far more lethal option: combustible tobacco. Punishing people for choosing less harmful alternatives is a failed strategy.

Fueling the Black Market: Lessons from Australia

When a government creates a massive price gap or restricts access to products that people demand, it does not stop consumption; it simply hands the market to organized crime.

We only need to look at the current crisis in [Australia](#) to see where this path leads. Australia's restrictive policies and high costs have fueled a violent black market controlled by transnational criminal syndicates. This has resulted in a wave of retail firebombings, ram-raids, and community violence. By imposing a 75% tax on nicotine pouches, New York is inviting the same criminal element to take over the distribution of nicotine products, undermining public safety and legitimate small businesses.

Economic Inequity

Smoking disproportionately affects low-income communities. These are the individuals who stand to benefit most from switching to affordable, less harmful alternatives. A 75% tax increase is a regressive measure that traps the most vulnerable New Yorkers in a cycle of smoking by pricing them out of the exit ramp.

Conclusion

Nicotine pouches are a proven [cessation aid](#) that helps smokers move away from the toxins of cigarette smoke. They improve [oral health](#), [reduce exposure](#) to alkaloids and metals, and satisfy nicotine cravings without the deadly tar and carbon monoxide of combustion.

Subjecting a tobacco-free, low-risk product to a 75% tobacco tax is not an evidence-based policy. It is a revenue grab that comes at the cost of human lives. If the goal is truly to reduce smoking rates in New York, the legislature should ensure that less harmful alternatives remain affordable and accessible.

We urge you to reject this tax increase and maintain a risk-proportionate framework that incentivizes, rather than punishes, harm reduction.

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