



PRESS STATEMENT [15th August 2025]
For Immediate Release

SERI: Survey shows that Majority of Malaysians support Raising Tobacco Taxes

Social & Economic Research Initiative (SERI) is calling for a meaningful increase in tobacco taxation, highlighting overwhelming public support and significant potential benefits for both public health and government revenue.

A recent SERI national survey of over 1,000 Malaysians found that 70% support a cigarette tax hike of at least RM3–5 per pack, compared to just 7% opposed. Support was consistent across age, race, gender, and state — and even a majority of smokers (58%) agree with the move in principle to improve public health.

According to SERI's modelling using the Tobacco Atlas Cost Recovery and Revenue Estimator (CoRRE), a RM5 increase per pack could:

- Generate RM1.2 billion in additional annual revenue (or RM600 million under conservative assumptions);
- Reduce smoking prevalence from 18.2% to 17.2%, resulting in 260,000 fewer smokers nationwide;
- Lead many more smokers, particularly youth, to reduce their tobacco consumption.

“This is one of those rare moments in policymaking where the evidence, the economics, and the public all point in the same direction,” said Dr Helmy Haja Mydin, SERI Chairman and Consultant Lung Specialist. “A meaningful tobacco tax increase will not only save lives and reduce disease but also strengthen the country’s fiscal position. The government has a golden opportunity to make a lasting impact on Malaysia’s health and future.”

The survey also found that public support for higher tobacco taxes would be even stronger if part of the revenue were earmarked for healthcare programmes such as cancer treatment and smoking cessation services.

“Tobacco taxation is the most popular revenue-raising measure among Malaysians, more so than expanding SST or introducing new dividend taxes,” said Muhammad Daniel Kittu, Health Economist at SERI. “It is also one of the most cost-effective public health interventions available. With Malaysia’s healthcare system facing rising costs from preventable diseases, this is a fiscally responsible and socially beneficial step.”

SERI stressed that fears of fuelling illicit cigarette trade are not supported by the evidence, which points instead to weak enforcement as the primary driver. The organisation noted Malaysia's recent improvements in border enforcement, including the establishment of the Malaysian Border Control and Protection Agency (AKPS), as a solid foundation for simultaneous tax reform.

Policy recommendations from SERI include:

1. Implementing a minimum RM5 per pack increase on cigarettes;
2. Indexing tobacco taxes to inflation and income growth to ensure prices outpace affordability;
3. Earmarking a portion of revenue for public health programmes;
4. Continuing to strengthen enforcement against illicit trade.

“Raising tobacco taxes is not just about collecting more revenue,” Dr Helmy added. “It’s about preventing cancer, heart disease, and lung disease in millions of Malaysians — and ensuring the next generation grows up in a healthier environment. The time to act is now.”

SERI is a non-partisan think-tank dedicated to the promotion of evidence-based policies that address issues of inequality. For more information, please visit www.seri.my or email us at hello@seri.my.