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The Swedish governments propose to raise the Swedish tobacco tax with 29%. The price for a pack of Blend to be raised with apr. 7 SEK.

The raise of the Swedish tobacco tax that the government have suggested today, will lead to an increased price for a pack of cigarettes with apr. 7 SEK. The suggested tax increase means that Sweden will have fulfilled EU's requirement, that the lowest acceptable tobacco tax rate for the member countries should be 57% of the consumer price, already on August 1, 1997. It's not only the price on cigarettes that will be effected. The price on snuff, pipe tobacco and other tobacco products will also be increased.

The price for a pack of the most popular cigarette brand Blend will be apr. 43,50 SEK, a pack of John Silver apr. 44 SEK and a pack of Right apr. 42 SEK. The consumer price will also rise for the different kinds of snuff products with apr. 2 SEK, "Roll your own" and pipe tobacco with apr. 7-9 SEK. The price for cigars and cigarillos will be effected in the same way.

-We have known that we would have to reach the 57% tobacco tax level by January 1, 1999 at the latest says Göran Lindén CEO. The change came a bit earlier than expected, but we have already made preparations to adapt to the new conditions. The suggested tax increase will lead to a price level that will be essentially higher than in our neighboring countries. On a long term that can lead to increased border trade. The risk of increased illegal trade should also not be underestimated, concludes Göran Lindén.