

Economic Loss from U.S. Cigarette Smoking Topped Almost \$900 Billion in 2020

The economic loss significantly outpaced the cigarette industry's \$92 billion revenue by nearly a ten-to-one ratio.

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New findings by the [American Cancer Society](#) (ACS) found cumulative economic losses from cigarette smoking topped \$891 billion in 2020, or 4.3% of the United States Gross Domestic Product. The economic loss significantly outpaced the cigarette industry's \$92 billion revenue by nearly a ten-to-one ratio. The study was published today in the journal *The Lancet Public Health*.

This economic modelling study is one of the first to provide a comprehensive measure of economic loss from cigarette smoking on a state-by-state level. On average, states lost \$1,100.00 per capita income annually from cigarette smoking. Kentucky (\$1,674.00), West Virginia (\$1,605.00) and Arkansas (\$1,603.00) suffered the largest per capita income losses, while Utah (\$331.00), Idaho (\$680.00) and Arizona (\$701.00) had the smallest per capita income losses.

“Economic losses from cigarette smoking far outweigh any economic benefit from the tobacco industry — wages, and salaries of those employed by the industry, tax revenue, and industry profit combined,” said [Dr. Nigar Nargis](#), senior scientific director, tobacco control research at the American Cancer Society and lead author of the study. “As a society, we can mitigate these economic losses through coordinated and comprehensive evidence-based tobacco control measures, which encourage people to quit smoking and prevent people from starting to smoke in the first place.”

The U.S. Department of Health and Human Services set the Healthy People 2030 goal to reduce smoking from 14% of the adult population in 2018 to 5% by 2030. According to study authors, reaching this goal through tobacco control efforts at the national, state, and local levels would considerably reduce the economic loss attributable to smoking.

“The Healthy People 2030 goal provides an important target that will help reduce smoking and correspondingly the negative economic impact of tobacco use,” said Nargis. “In addition, hitting this target will help divert scarce resources away from treating tobacco-related illnesses towards growing market productivity and household income.”

“The damage this industry causes on individuals’ lives and our nation’s economy is horrifying,” said [Lisa Lacasse](#), president of the American Cancer Society Cancer Action Network (ACS CAN). “It’s particularly alarming, but not surprising, to see some of the states with the highest economic loss have the weakest tobacco control policies in place. We know what works to reduce tobacco use and lessen this burden and it’s past time we get it done. Passing policies proven to reduce tobacco use including regular and significant tobacco tax increases, adequate funding for tobacco prevention and cessation programs and comprehensive smoke-free laws has a huge impact on reducing tobacco-related diseases like cancer and addressing the financial burden this product poses on state economies and the nation.”

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