



Banning Coupons for Tobacco Products

Background

A ban on coupons prevents retailers from accepting tobacco product coupons from legal, adult consumers. Although product coupons are widely accepted by retailers for literally thousands of different kinds of products, a tobacco product coupon redemption ban requires that a retail refuse to accept legitimate manufacturer tobacco product cost saving coupons from legal, adult customers.

Arguments Against Banning Coupons

- The First Amendment to the U.S. Constitution protects free speech, which according to U.S. Supreme Court rulings, includes commercial speech in the form of truthful product price information to consumers.
- Under the First Amendment, manufacturers and retailers have a protected interest and a right in communicating price information about tobacco products through the use of coupons, which lower the price of a tobacco product to adult consumers and prohibiting the acceptance of coupons is unconstitutional.
- A ban on redeeming coupons does not reduce underage tobacco use because state and federal laws already prohibit the sale of tobacco products to underage individuals *at any price*. A coupon ban only impacts retailers and those adults who are of legal age to purchase and use tobacco products.
- The Federal Cigarette Labeling and Advertising Act does not allow local and state governments to adopt any “requirement or prohibition based on smoking and health...with respect to the advertising or promotion of any cigarettes.” 15. U.S.C. § 1334. Federal courts have held that “promotion” includes the redemption of discount coupons. Thus, cities and states are precluded from banning coupons for legal cigarette purchases.
- Banning coupons results in lost local sales by local retailers and lost revenues to local government since consumers would simply visit retailers in a neighboring city or town to purchase tobacco products and redeem coupons.