UK Vaping Industry Association

Eloise Kohler
HM Treasury
1 Horse Guards Road
London
SW1A 2HQ

15 April 2026

Dear Eloise,

I am writing on behalf of the UK Vaping Industry Association (UKVIA) in relation to the proposed Vaping Products Duty, and in particular the decision to introduce the duty as a single increase from its outset.

The UKVIA supports the government's objective of reducing youth uptake while maintaining the incentive for smokers to switch to less harmful alternatives. However, we are concerned that the current approach risks unintended consequences that could undermine both public health outcomes and wider fiscal objectives.

To address these concerns, the UKVIA is currently acquiring evidence in three areas which we believe warrant consideration ahead of implementation:

- **Public health and illicit markets:** A sharp, upfront price increase risks pushing adult vapers back to smoking or towards illicit and unregulated products, particularly in more deprived communities where price sensitivity is highest.
- **Economic and fiscal impacts:** The scale of the increase may threaten the viability of legitimate UK vaping businesses, with implications for jobs, tax receipts and the size of the regulated market. Any increase in smoking or illicit consumption would also reduce expected NHS savings.
- **Stop smoking services:** Higher duty costs are likely to increase procurement costs for local authority-commissioned Stop Smoking Services, potentially reducing service capacity at a time of severe budget constraint.

Taken together, the evidence from these areas will likely suggest that there may be a case for reconsidering the structure of the duty at the point of introduction. The UKVIA is not opposed to the principle of paying more tax to address this issue, but a staged or phased approach, rather than a single large increase, would also help manage behavioural risk while still delivering the government's long-term objectives.

We would therefore welcome the opportunity to share evidence as it becomes available and to discuss whether there is scope to influence the initial level and structure of the duty. I would be grateful for your advice on the most appropriate route within HM Treasury to pursue this discussion.

Yours sincerely,
John
John Dunne
Director General
UK Vaping Industry Association