

AMA wrinkles its brow at taxes on cosmetic surgery

June 20, 2005

JIM RITTER Health Reporter

Nine states including Illinois have considered taxing face-lifts, Botox injections and other cosmetic procedures as a lucrative new source of revenue.

But such "Bo-taxes" were denounced Sunday at a meeting of the American Medical Association.

Taxing cosmetic procedures "sets a troubling precedent for the taxation of additional medical procedures," according to a resolution introduced at the AMA's annual meeting in Chicago.

An AMA committee passed the resolution without debate, and the organization's House of Delegates is expected to give its final approval later this week.

N.J. only state to impose tax

Illinois Comptroller Dan Hynes has proposed a 6 percent cosmetic tax to fund stem cell research. The proposal stalled in the Legislature's spring session. Supporters plan to resurrect the stem cell initiative, perhaps with a different funding source, said a spokesman for House Minority Leader Tom Cross (R-Oswego).

Americans spent \$8.4 billion on 9.2 million cosmetic surgery procedures last year, according to the American Society of Plastic Surgeons. New Jersey is the only state to pass a cosmetic tax, used to reimburse hospitals for charity care.

But in New Jersey, revenues from the tax have fallen 75 percent short of expectations, said Dr. Robert Jackson of the American Academy of Cosmetic Surgery, which sponsored the anti-tax resolution.

Bias against women seen

One reason for the shortfall is the difficulty in defining what constitutes a cosmetic procedure. For example, reducing breast size can have a medical benefit of relieving back pain, while a nose job can improve breathing.

Jackson said the tax discriminates against women, who get about 85 percent of cosmetic procedures. And it could lead to taxes on other elective procedures, such as teeth braces and Lasik eye surgery.