

# Did the 2021 UK Tampon Tax Abolition Reduce Prices?

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## Summary

This report analyses the impact of the abolition of the 2021 UK tampon tax on prices. In particular, it is found that the elimination of the tax resulted in a roughly 4% decrease in the price of tampons, meaning that a majority of the savings was passed on to the consumers.

## Introduction

On January 1, 2021, the UK abolished the 5% VAT tax on women’s sanitary product, AKA the “tampon tax.” It is generally accepted by economists that tax cuts will decrease price, though to what extent depends on factors like demand elasticity. However, it has been debated as to whether the abolition of the UK tampon tax actually resulted in a price decrease. For example, (Neidle, n.d.) is one prominent report that claims there was no price decrease from the removal of the tampon tax.

Neidle, Dan. n.d. “How the Abolition of the “Tampon Tax” Benefited Retailers, Not Women. An Analysis of Pricing Evidence in ONS Data.” [https://taxpolicy.org.uk/wp-content/assets/tampon\\_tax\\_report.pdf](https://taxpolicy.org.uk/wp-content/assets/tampon_tax_report.pdf).