



Sugary Drink Taxes

OVERVIEW

Children in the United States consume more sugar than is recommended, often in the forms of sugary beverages such as soda, sports drinks, or flavored fruit juices. Excess sugary drink consumption can lead to negative health effects like heart disease, diabetes, and tooth decay. Limiting consumption of sugary drinks by children and adolescents is an important step to reducing the impact of overweight and obesity on their long term health.

Taxes on sugary beverages, such as a per ounce tax at the point of sale or an excise tax at the wholesale level, have been shown to reduce their overall consumption. Excise taxes on alcohol and tobacco products demonstrate that adolescents are particularly price-sensitive consumers, leading to the reduction of underage drinking and youth smoking rates.

Recent momentum has centered around efforts to enact \$.01-.02/ounce surcharges on sugary drinks at point of sale at the state and local level. Seven cities (Albany, CA, Berkeley, CA, Boulder, CO, Philadelphia, PA, Oakland, CA, San Francisco, CA, and Seattle, WA) have enacted per ounce surcharges on these products.

AAP POSITION

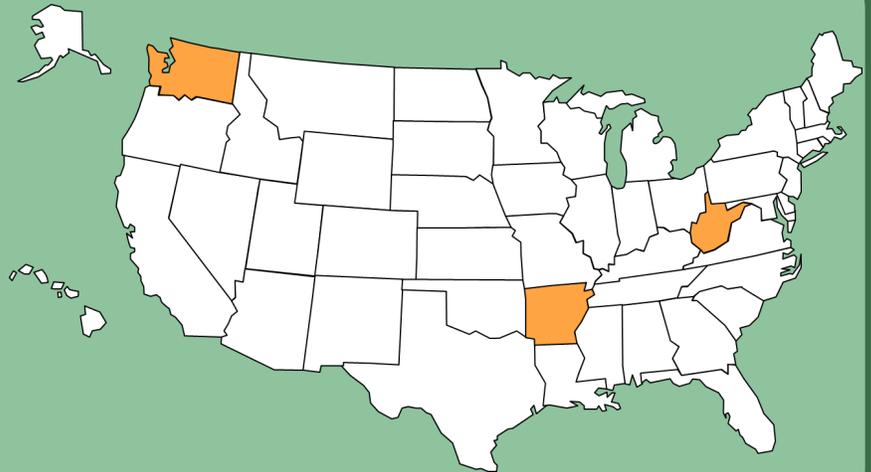
- Local, state, and/or national policies to reduce added sugars consumption should include policies that raise the price of sugary drinks, such as an excise tax.
- Such taxes should be accompanied by an education campaign on the risks of sugary drinks and on the rationale and benefits of the tax and should be supported by stakeholders.
- Tax revenues should be allocated, at least in part, to reducing health and socioeconomic disparities. Metrics should be established to evaluate the impact of such a tax.

FACTS

- A study found that for each 10% increase in price, sugary drink consumption is reduced by 7%.
- Berkeley, California was the first US city to implement a relatively large tax in 2015. Sales of sugary drinks fell 9.6%, and sales of beverages like milk and water increased 3.5%.
- The 2015-2020 Dietary Guidelines for Americans recommend less than 10% of calories be from added sugars. Instead, US children and teens consume 17% of their calories from added sugars. Nearly half of this is from sugary drinks.
- A study aiming to identify the most cost-effective interventions to reduce childhood obesity found that the implementation of a sugary drink tax would be the most cost-effective strategy to address childhood obesity, leading to prevention of 575,000 cases of childhood obesity and a health care savings of \$30.78 per dollar spent over 10 years.

PROGRESS

- 3 states—Excise taxes on wholesale soft drink purchases 
- 0 states—Per ounce tax on retail soft drink purchases 



For information on current law or pending legislation in your state, please contact AAP State Advocacy at stgov@aap.org.

*7 US cities (Albany, CA, Berkeley, CA, Boulder, CO, Philadelphia, PA, Oakland, CA, San Francisco, CA, and Seattle, WA) tax sugary drinks at the retail level.

MORE

- [AAP Policy Statement: Public Policies to Reduce Sugary Drink Consumption in Children and Adolescents](https://pediatrics.aappublications.org/content/early/2019/03/21/peds.2019-0282)—<https://pediatrics.aappublications.org/content/early/2019/03/21/peds.2019-0282>
- [AAP Institute for Healthy Childhood Weight](https://ihcw.aap.org)—<https://ihcw.aap.org>
- [American Heart Association/Voices for Healthy Kids](http://www.voicesforhealthykids.org)—www.voicesforhealthykids.org
- [American Heart Association: Stop Sugary Drinks from Hooking Our Kids Toolkit](https://sugarydrinks.voicesforhealthykids.org/)—<https://sugarydrinks.voicesforhealthykids.org/>
- [Centers for Disease Control and Prevention: Get the Facts on Sugar-Sweetened Beverages and Consumption](https://www.cdc.gov/nutrition/data-statistics/sugar-sweetened-beverages-intake.html)—<https://www.cdc.gov/nutrition/data-statistics/sugar-sweetened-beverages-intake.html>