

Tax on Sugar-Sweetened Beverages

The City does not impose a tax on the distribution of sugar-sweetened beverages.

This measure would place a tax of one cent per ounce on sugar-sweetened beverages. A sugar-sweetened beverage is a beverage that contains added sugar and 25 or more calories per 12 ounces, including some soft drinks, sports drinks, iced tea, juice drinks and energy drinks. The tax would also apply to syrups and powders that can be made into sugar-sweetened beverages.

The distributors of sugar-sweetened beverages in San Francisco would be responsible for paying the tax. The tax would not apply to sugar-sweetened beverages distributed to small businesses that have revenues of less than \$100,000 a year.

Some beverages would not be subject to the tax, including:

- Diet sodas;
- Beverages that contain only natural fruit and vegetable juice;
- Infant formula;
- Milk from animal or vegetable sources, including soy, rice, and almond milk;
- Meal replacements, supplemental nutrition products and weight reduction beverages; and
- Alcoholic beverages.

The City could use the proceeds of the tax for any governmental purpose.

A 15-member Sugary Drinks Distributor Tax Advisory Committee would evaluate the impact of the tax on beverage pricing, consumer purchasing behavior, and public health. The Committee would also advise the Mayor and the Board of Supervisors about how to reduce the consumption of sugar-sweetened beverages in San Francisco.

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