



A Coalition to Make Massachusetts the National Leader in Health and Wellness

The goal of the Healthy People/Healthy Economy Coalition is to work closely with state policymakers to help make Massachusetts the pre-eminent state in the country for health and wellness. It has identified 14 key policy areas that together make up a comprehensive approach to health and wellness for all of the Commonwealth's residents. One important indicator is how the state handles sugar-sweetened beverages, which have been proven to be a significant contributor to obesity in adults and children. Massachusetts currently exempts the tax on candy and soda by considering them essential items, thereby granting preferential tax status to products with a direct link to obesity. The Coalition seeks to eliminate the exemption by passage of House Bill 1697.

Why eliminate the sales tax exemption for soft drinks and candy?

The current sales tax exemption for soft drinks and candy represents preferential tax status for items that have little or no nutritional value and have been linked to the growing epidemic of overweight and obesity, particularly among children. House Bill 1697 eliminates the exemption, but also designates that the revenue produced through its elimination go to help fund programs related to health and nutrition, and obesity prevention..

Why now?

Over the last 15 years alone, obesity rates in Massachusetts have doubled, with one in every three children now either overweight or obese, leaving the state with the 33rd worst childhood obesity rate in the nation. Meanwhile, obesity-related medical care contributes \$2 billion a year in costs to the Commonwealth's already strained health care system.

What are the effects on health of sugar-sweetened drinks?

According to a 2004 study, sugar-sweetened beverages with little or no nutritional value are the single largest contributor of caloric intake in the American diet. In the United States, the consumption of calories per capita from sugar-sweetened beverages increased by nearly 30% in the past 10 years. For children, each extra serving of sugar-sweetened beverage consumed per day increases their chance of becoming obese by 60%.

A 2009 California study found that adults who drink one or more sodas per day are 27% more likely to be overweight or obese than those who do not drink soda, and further found that a reduction of sugar-sweetened beverage intake was significantly associated with weight change.

How much revenue would elimination of the tax exemption raise?

According to Department of Revenue estimates, the elimination of the exemption for soda and candy could generate more than \$52 million a year.

How do other states treat the taxation of soft drinks and candy?

More than 40 states now have sales taxes on sugar-sweetened drinks. Massachusetts is one of only a handful of states that does not tax these items at all.

Why should the government tell me what to drink?

The legislation is not advocating that these items be banned. What it accomplishes is ensure that Massachusetts tax policy no longer favors items that do not fit the intention of "essential" foods and, in fact, contribute to a public health and financial crisis. Subjecting these items to the sales tax is both good tax policy and good for our health.