

Taxing sugar-sweetened beverages could yield sweet results

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(PhysOrg.com) -- Taxing sugar-sweetened beverages a penny-per-ounce could reduce consumption and generate significant revenue, finds a study by the Rudd Center for Food Policy and Obesity at Yale University and the Bridging the Gap program at the University of Illinois at Chicago.

Researchers created a model to estimate the potential impact a tax on sugar-sweetened beverages would have on consumption and revenue, based on regional beverage consumption data, historic trends in beverage consumption, and recent estimates of how price affects sugar-sweetened beverage demand.

The Yale researchers projected that a national penny-per-ounce tax on sugar-sweetened beverages could generate revenue of \$79 billion over five years. This tax could also reduce consumption of these beverages by 24%, which translates into a daily caloric reduction of up to 200 calories, if no other beverages or food are added into the diet as substitutes.

Co-authors Tatiana Andreyeva, Ph.D., Frank Chaloupka, Ph.D., and Kelly Brownell, Ph.D., note that public health may be substantially impacted if the revenue is invested in obesity prevention programs, especially in populations with particularly high sugar-sweetened beverage consumption, such as youth and low-income groups.

According to lead author Dr. Tatiana Andreyeva, the Rudd Center's director of economic initiatives, "Such taxes could help the nation and

many states address serious budget deficits, both by generating considerable revenue and potentially decreasing health care costs from declining sugar-sweetened [beverage consumption](#).

While several states and cities have attempted to institute an excise tax on sugar-sweetened [beverages](#), all have been unsuccessful so far.

A revenue calculator for sugar-sweetened beverage taxes that estimates potential federal, state or city revenues can be found on the Rudd Center website at www.yaleruddcenter.org

Provided by Yale University

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