

SUGAR-SWEETENED BEVERAGES TAX ACT (SWEET ACT)

According to the Centers for Disease Control and Prevention (CDC), during the last 30 years, there has been a substantial increase in the prevalence of obesity and diabetes among adults in the United States. To help solve this crisis, the SWEET Act would amend the Internal Revenue Code to impose a tax on sugar-sweetened beverage products (bottled beverages, syrups, and powders) to be paid by manufacturer, producer, or importer of such products.

The tax would be equal to 1 cent per teaspoon (4.2 grams) of caloric sweetener (sugar, high-fructose corn syrup, etc.) used in specified sugar-sweetened beverage products. Beverage products exempted from the tax include milk and similar plant-based substitutes (e.g. soymilk), 100% fruit juice, oral nutritional therapy products (e.g. Pedialyte), alcoholic beverages, and infant formula.

The revenue from the tax will be provided to the Prevention and Public Health Fund for initiatives designed to reduce the human and economic costs of diabetes, obesity, dental caries, and other health conditions related to consumption of sugar-sweetened beverages. This would include prevention and treatment programs, research, and nutrition education.

Added Sugar in Beverages and Our Health: Scientific research overwhelmingly shows a link between excessive sweetened beverage consumption and disease. Studies have shown that added sugar consumption, particularly from sweetened beverages 1) displaces calories in other more nutritious foods, 2) drastically increases harmful liver fat, and 3) causes cellular aging contributing to a myriad of health conditions.

The American Heart Association (AHA) recommends limiting added sugars consumption to no more than half of our daily discretionary calories allowance. For most American women, that's no more than 100 calories per day (about 6 teaspoons of sugar). For men, it's 150 calories per day, (about 9 teaspoons). Most Americans exceed the recommended amount daily. According to the National Center for Health Statistics, one-third of calories from added sugars (33%) consumed in the United States were from beverages. In children and adolescents, 40% of the calories from added sugars came from beverages. Children and adolescents consume 10 to 15 percent of their total daily caloric intake from sugar-sweetened beverages.

Focus on Prevention: The revenue produced from this tax will provide critical funding for further research, prevention, and treatment obesity, diabetes, dental caries and other diseases related to consumption of sweetened beverages. Such initiatives could include:

- subsidizing fresh fruits and vegetables in schools and for SNAP (food stamp) recipients;
- school-based interventions and policies such as farm-to-school programs
- increased access to healthy food in low-income neighborhoods such as incentives to attract supermarkets;
- social marketing campaigns to counteract the marketing strategies used by the beverage industry to market sugar-sweetened beverages to children; and
- statewide, comprehensive obesity and diabetes prevention programs.

An Incentive for Innovation and Reducing Reliance on Sugar: Our food policy decisions should prioritize public health over business. This bill does just that. This legislation is structured to incentivize manufacturers of sweetened beverages to use less caloric sweeteners in their products. As companies reformulate products to use less sugary sweeteners the tax will decrease.

For more information on the SWEET Act contact Kelly.Horton@mail.house.gov.