

Sugar Sweetened Beverages

Senate Finance Committee
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Tax Imposed

- Excise tax placed on any person, including manufacturer and wholesale dealer who receives, stores, manufactures bottles or distributes sweetened beverages for sale to retailers (i.e. at the wholesale level).
 - Includes syrups and powders (think Kool Aid or powdered lemonade).
 - Taxable volume of syrups and powders is calculated as the volume they make based the manufacturer's instructions.
- This means when you go to buy a soda at the gas station the tax has already been levied and your purchase is not subject to further tax.
- All past iterations have been \$0.01 or \$0.02 per ounce.



What does this include?

- Any nonalcoholic beverage carbonated or noncarbonated, which is intended for human consumption and contains *any* added sweetener.
 - Soft drinks
 - Fruit beverages
 - Sports drinks
 - Ready-to-drink tea
 - Energy drinks
 - Ready-to-drink coffee



What does this *not* include?

- Not considered sweetened
 - Diet soft drinks
 - Ready-to-drink diet tea
 - Flavored or sparkling water
- Exempted items
 - Beverages consisting of 100% natural fruit or vegetable juice with no added sweetener
 - Milk with or without added sweeteners regardless of animal source or butterfat content (includes milk substitutes like oat, almond, soy, etc)
 - Infant formula
 - Nontaxable sales to the US Government
 - Sales for resale or consumption outside the state
 - Beverages for medical use



Revenue Estimate

- **\$17.2 million** annually from a \$0.01 per ounce tax
- **\$29.0 million** annually from a \$0.02 per ounce tax
- Sources used
 - UConn Rudd Center Sugary Drink Tax Calculator
 - Academic Literature
 - Experiences of Philadelphia and Berkley

