Fiscal policies: sweetened soft drink taxes



AMERICAS:

British Columbia, Canada Newfoundland and Labrador, Canada USA (8 jurisdictions) Bermuda Mexico Dominica Barbados Grenada Panama Colombia Ecuador Peru Chile EUROPE: Finland Latvia United Kingdom Isle of Man Ireland Poland Belgium France Hungary Croatia Spain Portugal St Helena

AFRICA: Morocco Ghana

Ghana Nigeria Mauritius Seychelles South Africa



Bahrain Qatar United Arab Emirates Oman Pakistan India Thailand Malaysia Maldives WESTERN PACIFIC: **Philippines** Brunei **Cook Islands** Fiji French Polynesia Kiribati Marshall Islands Nauru **New Caledonia** Niue North. Mariana Islands Samoa Tonga Tuvalu 🧉 Vanuatu Wallis and Futuna

Sweet drink taxes: Europe



BELGIUM: €0.068 per L (\$0.07) excise

on soft drinks with added sweeteners; **€0.41/L** (\$0.44) and **€0.68/100 kg** (\$0.73) excise on liquid and powder concentrates, respectively. *Implemented 2016*

UNITED KINGDOM: £0.18 per L (\$0.21)

on drinks with 5–8 g total sugar/100 mL; **£0.24 per L (\$0.30)** on drinks with >8 g total sugar/100 mL. Exempts dairy drinks (>75% dairy) and 100% fruit/vegetable juices. *Implemented 2018*

ISLE OF MAN: £0.18 per L (\$0.22)

on drinks with 5–8 g total sugar/100 mL; **£0.24 per L (\$0.30)** on drinks with >8 g /100 mL. Mirrors UK levy. *Implemented 2019*

IRELAND: €0.20 per L (\$0.21)

on drinks with >5 g total sugar/100 mL; **€0.30 per L (\$0.32)** on drinks with >8 g total sugar/100 mL. *Implemented May 2018*

FRANCE: Sliding scale tax, up to €20 per hL (\$0.22/L) if >11g sugar/100mL

on drinks with added sugars or artificial sweeteners. Implemented 2012 (flat rate of \in 0.07 per 1 L regardless of sugar content); updated 2018 to sliding scale

SPAIN: 21% VAT (increase from 10%)

on drinks containing added natural and derived sweeteners and/or sweetening additives, excluding dairy. *Implemented 2021*

CATALONIA, SPAIN: €0.12 per L (\$0.13) levy for drinks with added sugars

and >8 g sugar/100 mL, or €0.08 per L (\$0.09) for 5–8 g sugar/100 mL. Implemented 2017

PORTUGAL: 4-tiered tax

€0.01 per L (\$0.01) on drinks with <25 g sugar per liter;

- **€0.06 per L** (\$0.06) on drinks with 25 to <50 g sugar per L;
- **€0.08 per L** (\$0.09) on drinks with 50 to <80 g sugar per L; or

€0.20 per L (\$0.21) on drinks with ≥80 grams sugar per L.

Exempts milks (cow or substitute) and 100% juices. Implemented 2017, updated 2018

ST HELENA: £0.75 per L (\$0.93) excise duty

on carbonated drinks with ≥15 g sugar per L. *Implemented 2014*

FINLAND: €0.22 per L (\$0.24)

on sugar-containing soft drinks; **€0.12/L (\$0.13)** on sugarfree soft drinks, mineral waters. *Implemented 1940, updated 2011*



LATVIA: €0.074 per L (\$0.08) excise

on drinks with added sugar, sweetener, or other flavoring; excludes fruit/vegetable juices with <10% added sugar and flavored/functional waters without added sugars, sweeteners, or flavorings. *Implemented 2004; increased tax rate 2016.*

POLAND: PLN 0.5 per L (\$0.11)

on soft drinks with added sweeteners, caffeine, or taurine; **PLN 0.05** (\$0.01) extra fee per gram of sugar >5 g/100 mL; **PLN 0.09/L** (\$0.02) for drinks containing caffeine or taurine. Total soda fee cannot exceed PLN 1.2 (\$0.32). Excludes sports or juice drinks with <5g sugar/100mL and dairy drinks. Drinks with >20% juice content and >5g sugar/100mL are not charged the base fee of PLN 0.5 per L. *Implemented 2021*

HUNGARY: HUF 8-23 per L (\$0.02-\$0.07)

on soft drinks (depending on sugar content and tariff number); **HUF 105–310/L** (\$0.30–\$0.88) on syrup concentrates (depending on tariff number); **HUF 65/L** (\$0.18) on caffeinated drinks; **HUF 390/L** (\$1.11) on caffeinated drinks with added taurine, ginseng, or L-arginine. Exempt: fruit and vegetable juices containing at least 50% of fruit or vegetables. *Implemented 2011*, *updated July 2022 (increased rates, tiered based on sugar content). See also: non-essential food tax*

CROATIA: 4-tiered tax

€0 per hectoliter on drinks with ≤2 g sugar per mL;
€1.33 per hl (\$0.014 per L) on drinks 2–5 g sugar per mL;
€3.98 per hl (\$0.043 per L) on drinks 5–8 g sugar per mL;
€7.96 per hl (\$0.086 per L) on drinks >8 g sugar per mL;

Syrups and concentrates are similarly taxed at four rates based on sugar content. Higher tax rates are levied on energy drinks containing methylxanthine or taurine. *Implemented 2020*

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Sweet drink taxes: Africa, Middle East, South & East Asia

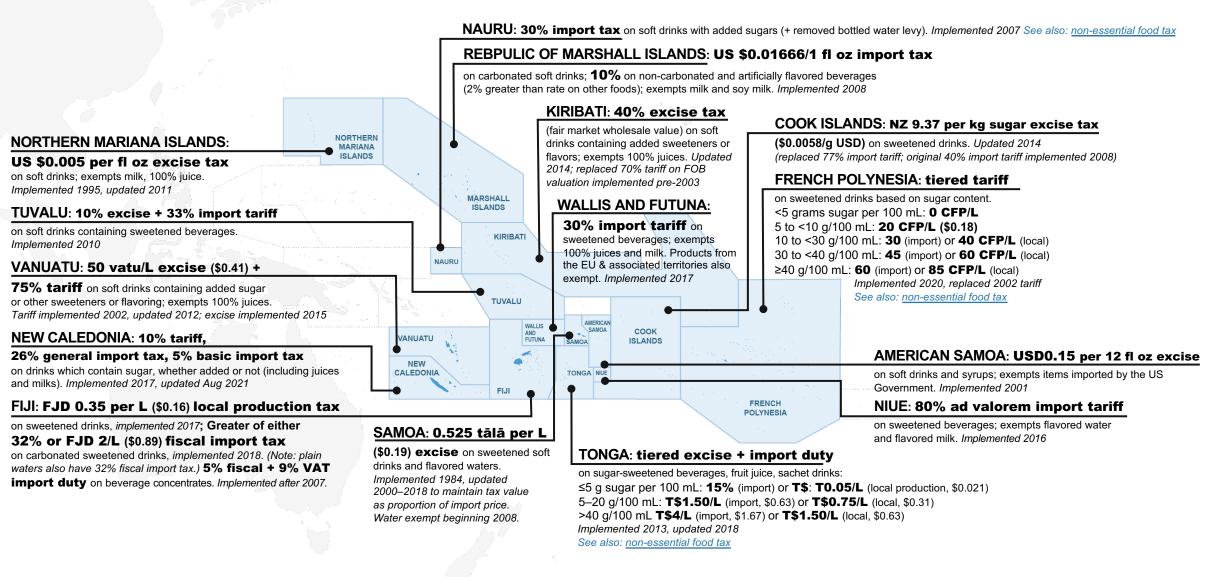


QATAR: 50% excise on aerated soft drinks (except for unflavored aerated water) 100% excise on concentrates; 100% excise on energy drinks. <i>Implemented 2019</i>	energy drinks. Implemented Oct. 2017, updated Dec. 1, 2019 (expanded 50% excise to sw OMAN: 50% excise on sweetened drinks; 100% excise on energy drinks.	
	Implemented 2019, updated 2020 (expanded 50% excise from carbonated soft drinks to s	weetenea)
BAHRAIN: 50% excise on aerated soft drinks; 100% excise on energy drinks. <i>Implemented 2017</i>	INDIA: 28% goods and services tax on aerated drinks and lemonades	
TOO % excise on energy annexs. Implemented 2017	(in addition to 12% GST on all processed, packaged beverages). <i>Implemented July</i> 207	17
SAUDI ARABIA: 50% excise on sweetened soft drinks;	THAILAND: 5 baht per L (\$0.14 USD) for drinks with >10g sugar/100m	۱L.
100% excise on energy drinks. Implemented 2017, updated 2019	Implemented September 2017 (Phased implementation completed September 2017)	
(expanded 50% excise beyond carbonated soft drinks to all sweetened)	MALAYSIA: RM 0.40 per L (\$0.09 USD) tax	on carbonated
ISRAEL: Tax implemented January 2022 was revoked in January 2023.	flavored, & other non-alcoholic drinks with >5 g sugar per 1	
	vegetable juices with >12 g sugar per 100 mL. Implemente	
	BRUNEI: BND 4.00 per 10 L	(\$0.30/L USD
MOROCCO: MAD 0.7 per L VAT (\$0.07 USD)	excise on all drinks with >6 g sugar	•
on non-carbonated soft drinks with ≥5 g sugar per 100 mL; 0.6 MAD/L (\$0.06 USD) on energy drinks (20% increase);	PAKISTAN: 20% excise	
MAD 0.15/L (\$0.00 USD) on nectars (50% increase);	(increase from 13%) on	<u>per L</u>
and tax on soft drink manufacturers will increase 50% to	carbonated beverages	-
MAD 0.45 /L (\$0.04). Implemented January 2019	(with or without sweeteners). Implemented March 2023 P12 per L (\$0.21 USD) on HFCS. Exempt: dairy drinks, inst	
GHANA : 20% excise (on ex-factory price)	20% excise on 100% juices, and drinks sweeten	ed with stevia
on aerated and/or sweetened beverages, including fruit juices.	juices, syrups, and squashes	uary 2018
Implementation in progress beginning May 2023, full implementation by January 1, 2024	(increase from 10%). Implemented July 2023 MALDIVES: MVR 33.64 per L (\$2.18) import tariff on all energy drink	(S:
	MVR 4.60/L (\$0.30) tariff on soft drinks (incl. sweetened and	
NIGERIA: NGN 10 per L (\$0.01 USD) on non-alcoholic, sweetened beverages.	unsweetened carbonated sodas, sports drinks) Implemented March	า 2017
Implemented January 1, 2022	SEYCHELLES: SCR 4 per L (\$0.31 USD) import tariff on all beverage	
SOUTH AFRICA: ZAR 0.021 per g sugar (\$0.001 USD)	>5 g sugar/100 mL. Exempt: fresh, locally produced drinks withou and plain milks. <i>Implemented April 1, 2019</i>	t additives
on sugary drinks and concentrates (4g per 100mL exempt). If sugar not labeled, default tax based on 20 g sugar/100mL; exempts dairy drinks and fruit, vegetable juices. <i>Implemented April 2018</i>	MAURITIUS: MUR 0.03 per g sugar (\$0.0007 USD) on sodas, syrups fruity drinks with added sugar. Implemented Jan. 2013, updated Oc	
		2010

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Sweet drink taxes: Pacific Islands





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Sweet drink taxes: Mexico, Caribbean, Central & South America

MEXICO: 1 peso per liter (\$0.06)

on all drinks with added sugar, excluding milks or yogurts. Implemented January 2014; See also: non-essential food tax

PANAMA: 7% ad valorem tax on sodas (previously 5%);

5% on other non-alcoholic drinks with added caloric sweeteners; **10%** on syrups & concentrates. Exempt: dairy drinks, juices with >7.5 g sugar/100 mL. *Implemented November 2019*

ECUADOR: 10% ad valorem tax

on soft drinks with <25g of sugar/L and on all energy drinks, regardless of sugar content; **\$0.0018 per gram sugar** on drinks with >25 g sugar/L. Exempt: dairy products and their derivatives, mineral water and juices that have 50% of natural content. *Implemented May 2016*

PERU: 25% ad valorem tax

on drinks containing >6 g sugar/100 mL (increase from previous rate of 17%); **17% ad valorem tax** on drinks with 0.5–6 g sugar/100 mL (unchanged);

12% ad valorem tax on drinks with <0.5 g sugar/100 mL (decrease from previous rate of 17%). Exempt: Plain water, 100% juice, plain milk, drinkable yogurts. *Implemented May 2018, updated June 2019*

CHILE: 18% ad valorem tax

on sugary drinks containing >6.25 g sugar/100 mL; includes all non-alcoholic drinks with added sweeteners; exempts 100% fruit juice and dairy-based beverages; **10% ad valorem tax** on drinks with <6.25 g sugar/100 mL. *Implemented October 2014*

BERMUDA: 50% ad valorem tax

on sugar, sugary drinks, candies and dilutables; exempts diet sodas, 100% juice, and diet iced teas. *Implemented October 2018*

DOMINICA: 10% excise tax

on food and drinks with high sugar content, including soft drinks and energy drinks. *Implemented Sept. 2015; See also: <u>non-essential food tax</u>*

BARBADOS: 20% excise tax

on sugary drinks, including carbonated soft drinks, juice drinks, and sports drinks; exempts 100% juice, coconut water, and plain milk. *Implemented Aug. 2015 (10% tax); updated (doubled) April 1, 2022*

GRENADA: 20% VAT (increase from 15%)

on carbonated beverages, soft drinks/sodas, and drinks with added sugar. *Implements March 1, 2023*

COLOMBIA: 3-tiered specific tax based on added sugar

Col\$0 per 100 mL (\$0 USD) on drinks with <6 g added sugar per 100 mL; - 2025 sugar threshold lowers to <5 g

Col\$18 per 100 mL (\$0.005 USD) on drinks with ≥6 to <10 g added sugar per 100 mL; -2024 rate increases to **Col\$28** (\$0.007 USD);

- 2025 rate increases to Col\$38 (\$0.01 USD) & sugar threshold lowers to ≥5 to <9 g

Col\$35 per 100 mL (\$0.009 USD) on drinks with ≥10 g added sugar per 100 mL; - 2024 rate increases to **Col\$55** (\$0.014 USD);

- 2025 rate increases to **Col\$65** (\$0.016 USD) & sugar threshold lowers to ≥9 g Applies to all ultra-processed, sweetened, non-alcoholic drinks. Exempt: plain water, 100% fruit or vegetable juices, and infant formula.. Implemented November 1, 2023 See also: non-essential food tax

Sweet drink taxes: North America



ALBANY, CA: 1 cent per ounce

distribution tax on non-alcoholic drinks with added caloric sweeteners; exempt: dairy drinks, 100% juices; beverages distributed from retailers with revenue <\$100,000 per year exempt. *Implemented 2017*

BERKELEY, CA: 1 cent per ounce

on non-alcoholic sweetened drinks; exempts dairy and meal-replacement drinks, diet sodas, and 100% juices. *Implemented 2015*

OAKLAND, CA: 1 cent per ounce

distribution tax on non-alcoholic drinks with added caloric sweeteners; exempts dairy drinks, 100% juices; beverages distributed from retailers with revenue <\$100,000 per year exempt. *Implemented* 2017

SAN FRANCISCO, CA: 1 cent per ounce

on non-alcoholic drinks with added sugar and >25 kcal per 12 oz; applies to syrup and powder concentrates; exempts 100% juices, artificially sweetened beverages, infant formula, milk products, and medical drinks. *Implemented 2018*

BRITISH COLUMBIA: 7% sales tax

distribution on carbonated beverages sweetened with sugar or artificial or natural sweeteners. Previously these drinks were exempt from sales tax as food products. *Implemented April 1, 2021*

BOULDER, CO: 2 cents per ounce

1.75 cents per ounce
distribution tax on sugary
drinks; exempt: diet sodas,
milk-based drinks,
100% fruit juices.
Implemented January 2018

NAVAJO NATION:

sweetened beverages

Implemented April 2015

See also: non-essential food tax

Healthy Diné Nation Act 2% tax

on "minimal-to-no nutritional value food items," including sugar-

SEATTLE, WA:

COOK CO., IL

1 cent per ounce on sugar- and artificiallysweetened drinks. *Implemented August 2017 Repealed October 2017*

NEWFOUNDLAND AND LABRADOR: C\$0.20 per L (\$0.15)

on sugar-sweetened beverages (details to come). Implemented April 1, 2022

PHILADELPHIA, PA: 1.5 cents per ounce

excise on sugar- and artificially-sweetened drinks, including diet soda; exempts dairy-based drinks and 100% juice. *Implemented January 2017*

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Fiscal policies: unhealthy food taxes

NAVAJO NATION: Healthy Diné Nation Act 2% tax

on "minimal-to-no nutritional value food items," snacks high in salt, saturated fat, and sugar; Act also removed 6% tax on fruits and vegetables. *Implemented April 2015* See also: sugary drink tax

MEXICO: 8% sales tax

on non-essential foods containing >275 calories per 100 grams in certain categories (including sweet and salty snacks, confectionery, and desserts) Implemented January 2014 See also: sugary drink tax

FRENCH POLYNESIA: import tariffs

on ice creams, confectionery, biscuits, jams & jellies:

- <5 g sugar per 100 g: 0 CFP/kg
- 5-10 g per 100 g: 20 CFP/kg (\$0.18 USD)
- 10-30 g per 100 g or mL: 40 CFP/kg (\$0.36)
- 30-40 g per 100 g or mL: 60 CFP/kg (\$0.54)
- ≥40 g per 100 g or mL: 85 CFP/kg (\$0.77)

Implemented 2002, updated 2020

See also: sugary drink tax

DOMINICA: 10% excise tax

on foods high in sugar, including confectionery, chocolates, and chewing gums *Implemented September 2015*

COLOMBIA: 10% tax on ultra-processed products

(edible products formulated from food-derived substances along with additives) that contain added sugars, sodium, and saturated fats and exceed the following thresholds:

- ≥1 mg of sodium per 1 kcal and/or ≥300 mg of sodium per 100 g
- ≥10% of total energy from free sugars
- ≥10% of total energy form **saturated fats** Tax rate will increase to:
- 15% in 2024
- 20% in 2025

Implemented November 1, 2023 See also: <u>sugary drink tax</u>

HUNGARY: Consumption tax

on products high in salt or sugar:

- 85 HUF/kg (\$0.24 USD) on sugared cocoa powders
- 160 HUF/kg (\$0.45) on pre-packed sugary products
- 300 HUF/kg (\$0.85) on salted snacks, seasonings
 600 HUF/kg (\$1.70) on marmalades
 Implemented July 2011
 See also: sugary drink tax

TONGA: 2 Pa'anga per kg

(\$0.84 USD) on animal fat products (e.g., lard, tallow), mayonnaise, instant noodles; **1.5 Pa'anga per kg** (\$0.63 USD) on turkey tails, mutton flaps, and ice creams *Implemented 2013; increased 2016 See also: sugary drink tax*

NAURU: 30% "sugar levy"

on all forms of confectionary containing added sugar (e.g., biscuits, cakes, chocolate, ice creams, candies); canned fruits in syrup; sugar-containing jams and jellies; and honey *Implemented July 2007* See also: sugary drink tax

ETHIOPIA: Excise on goods "hazardous to health"

- 30–50% tax on edible fats and oils and their products:
- 30% on fats/oils with ≥40g saturated fat per 100g (or if unlabeled)
 40% on hydrogenated fats/oils with ≥40g saturated fat per 100g,

or >0.5g of trans fat per 100g (or if sat. fat unlabeled)

- **50%** if edible margarine with ≥40g saturated fat per 100g, or more than 0.5g of *trans* fat per 100g
- **20% tax:** Any type of sugar (solid or liquid) excluding molasses, maple sugar and maple syrup

• **30% tax:** chewing gums, confectionery, cocoa-containing foods *Implemented March 2020*

SOURCES

- Colombia: Ley 2277 Impuesto Saludable a Bebidas y Alimentos Ultra-Procesados (Reforma Tributaria)
- Dominica: Commonwealth of Dominica Statutory Rules and Order No. 28 of 2015 (Excise Tax Amendment)
- Ethiopia: <u>https://extranet.who.int/nutrition/gina/en/node/40429</u>
- French Polynesia: Direction des impôts et des contributions publiques, Section II: Tax base and rates
- Hungary: <u>RSM: Public Health Product Tax (NETA)</u>
- Mexico: Initiative with draft decree whereby the Law of the Special Tax on Production and Services is amended and various provisions are appended
- Nauru: Republic of Nauru (No. 8 of 2007), an Act to amend the Customs Tariff Act 2006
- Navajo Nation: NIH: The Navajo Nation Junk Food Tax and the Path to Food Sovereignty
- Tonga: Excise Tax (Amendment) Order 2016, Kingdom of Tonga