

BERKELEY'S SUGAR-SWEETENED BEVERAGE TAX: EVALUATION AND IMPLEMENTATION

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MEASURE D: CITY ORDINANCE

Specific excise tax



Retailers that self-distribute



TYPES OF SSB TAXES

Type	How is it applied	Where tax is collected	Consumer “sees” tax at
Excise	Specific OR <i>Ad valorem</i>	Manufacturer, Importer, Wholesaler, Distributor, or Retailer	Shelf price
Sales	<i>Ad valorem</i>	Consumer	Register

Definitions

- **Specific:** Based on volume (e.g., \$0.01/oz)
- ***Ad valorem:*** Imposed as a % of price

Source: Chriqui JF, Chaloupka FJ, Powell LM, Eidson SS. *J Public Health Policy*. 2013;34(3):403-423.

EXCISE VS SALES TAX

- **Excise:** More likely to impact behavior because consumers “see” a higher price tag before selecting a beverage
- **Sales:** Appears at the register or on receipt after beverage was selected

Source: Chriqui JF, Chaloupka FJ, Powell LM, Eidson SS. *J Public Health Policy*. 2013;34(3):403-423.

EXCISE TAX: SPECIFIC VS. AD VALOREM

- Advantages of **specific taxes**
 - Impact does not fluctuate with price
 - Discourages substitution to cheaper options
 - More predictable revenues
 - Easier to administer
- Consideration for **specific taxes**: Need to be adjusted to keep pace with inflation

Source: Chriqui JF, Chaloupka FJ, Powell LM, Eidson SS. *J Public Health Policy*. 2013;34(3):403-423.

MEASURE D TIMELINE OF MAJOR EVENTS

Year	Month	Event
2014	Nov	Measure D passes
2015	Jan	Berkeley contracts with tax administrator
	Feb	Outreach/education to distributors
	Mar	1st month of tax collection from distributors
	...	
	Oct-Dec	Outreach/education to retailers who self-distribute
2016	Jan	1st month of tax collection from retailers who self-distribute



UC BERKELEY EVALUATION



1. SSB PRICES





UC BERKELEY EVALUATION



1. SSB PRICES

2. CONSUMPTION

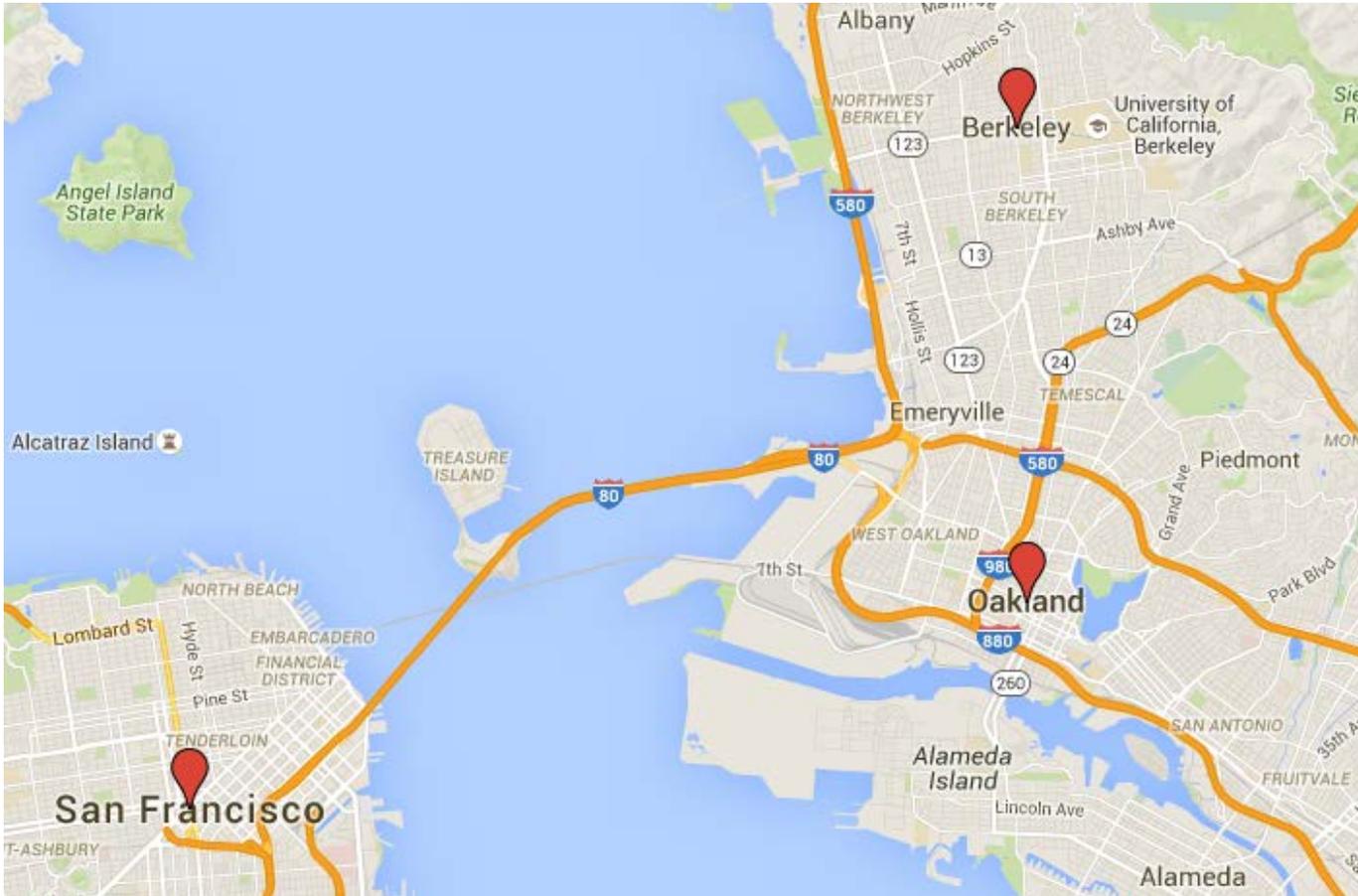


UC BERKELEY EVALUATION



1. SSB PRICES
2. CONSUMPTION
3. IMPLEMENTATION EVALUATION

METHODS: CITIES



Berkeley

Oakland

San Francisco

SSB PRICES: METHODS

- **Timing:** Collected beverage prices longitudinally before and 3 months after tax implemented
- **Beverages:** Top selling SSBs (soda, tea, coffee, sports, energy, fruit-flavored), diet, water, 100% OJ, and milk
- **Retailers:** Chain supermarkets, small grocery, drugstores, convenience stores, & liquor stores
 - Berkeley (n=26)
 - Comparison (n=45)

SSB PRICES: RESULTS

Beverages (≤33.8 ounces sizes)	Price increase in Berkeley relative to comparison cities, cents/oz
Soda	0.69
SSBs	0.47
Non-SSBs	0.00

**69% of the tax,
14 cents for 20 oz
bottle**

*Bold font indicates statistical significance

- **Variation in pass-through by retailer and retailer type**

IMPLEMENTATION

- Key informant interviews



- Facilitators, barriers, key events, pass-through, and communication

DISCUSSION

- Pass-through
- Consumption
- Social norms
- Revenue generation, which can fund public health programs

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http://images.politico.com/global/2014/09/24/140924_wuerker_soda_wars_605.jpg

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