

What soft drink taxes are really about

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Throughout history, governments always want money, lots of it. Our modern day elected officials are no exception. They toil relentlessly to help make your life better. That's expensive.

When they run out of money, the easiest way for them to get lots more quickly is to target a group that is out of favor politically for a big tax hike.

The idea that "We're doing this for their own good" is a great straw man to legitimize an unfair tax that, if imposed on everyone, would be universally hated.

The current debate about taxing soft-drinks is a perfect example.

It's political class warfare in its purest form--a way for wealthy elites to tax those of us in the underclass and bring in billions of new tax dollars to fund a silver-bullet cure for a problem the elites have identified.

Let's be clear about one thing: If the current soft drink tax proponents were fair about things, they'd be hammering Starbucks for the fattening mochas and lattes they sell to those same wealthy elites for \$4.50 a whack.

But then again who said anything about being fair.

Is the current trend to tax soft drinks really about public health? Will this one action solve any real public health problems? If consumers are making poor dietary choices, is a tax on their rootbeer float really going to help them make better choices?

The reality is: A soft drink tax is simply going to put more of our money in someone else's pocket whose more politically well connected than we are.

If you wanted to incentivize people to lose weight and live a more healthy lifestyle though the tax code

there are better ways. For example, of obesity is such an important issue, why don't we tax ourselves based on our body weight. Don't laugh.

Doing so would be easier than you think and it would allow every taxpayer the ability to control his or her tax liability the way the wealthy elite use accountants and lawyers to control theirs.

Come tax day, you just stroll into the tax collector's office, hop on his scale, and voilà, your weight multiplied by the government's tax rate per pound equals your tax bill.

Say I walked in at my weight of 225 pounds for example, and at a rate of say \$4.29 per pound (the price of some good prime beef in my neighborhood) and the taxman hits me with a bill of \$965.25. That being the case, want to bet I come in next year at 175 pounds? You can take that to the bank. I'll be the healthiest guy around - guaranteed.

But that is not what these soft drink tax proposals are really all about. They are about the government selecting an defenseless class of citizens, ones with limited political capital but who have lots of financial resources, and shaking them down for money without all the real hassles of selling a broader tax increase to the overall community.

No need to hit up their pals in San Francisco, New York, South Beach or The Hamptons when they've got plenty of us roaming the streets with nothing better to do than guzzle down gallons of Mountain Dew.

Furthermore, if the government really believed the poppycock they are peddling the public about your health and how it is impacted by soft drinks, they'd ban them completely.

You don't see that happening for two reasons: 1) soft-drinks aren't bad for you and the proponents know it; and 2) elected officials would never do anything to help you if it cost them tax revenue.

No, you won't see a ban coming from soft drink tax proponents. Instead you see them, and all their self righteous indignation, attacking Muhtar Kent, chairman of the board of The Coca-Cola Co.

Why? they need Mr. Kent and his company to be in business -- no Coke, no tax money. It really has nothing to do with your health. It has everything to do with your money.

Supposing a federal soft drink tax did become law, where would the money go? The average American drinks 44 gallons of sugary soft-drinks per year. That creates a lot of tax revenue...over \$13 billion annually.

So maybe we could give everyone who's obese in the eyes of the elite, a gift card to Whole Foods?

Let them fill themselves to the brim with organic wonderfulness for a change. The rest of us will stand by and watch the pound miraculously melt off our obese brothers and sisters. A nice daydream of the do-good-nicks on the Left perhaps, but nowhere near reality.

The reality is that this isn't about obesity or good health. It is about money, and it is about a deceitful process whereby people are forced to pay the government for something that they will never get any benefit from.

The elected officials making those empty promises know it.

If our leaders really want us to be healthy they would sit down with the food and beverage industries and ask industry leaders this simple question: “How can we work together to make a greater, more healthy, and more productive America?”

Don't hold your breath waiting for this meeting to take place, good health makes for bad politics.

About the Author

Grant David Gillham is an internationally known corporate government-affairs consultant.