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Can the Tax Coalition Celebrates Passage of Cook County Beverage Tax Repeal

(CHICAGO - October 11, 2017) - Cook County today became the first local unit of government in the country to repeal an existing beverage tax when the County Board overwhelmingly voted 15-2 to end the county's unfair, over-reaching and unpopular beverage tax. Since the tax went into effect on August 2, 2017, outrage from Cook County residents and businesses has been overwhelming and nearly 90% of Cook County residents opposed the tax.

The Can the Tax Coalition issued the following statement following today's vote by the Cook County Board to repeal the beverage tax:

"The Can the Tax Coalition applauds today's repeal of Cook County's unfair, over-reaching and unpopular beverage tax. Cook County residents have spoken and commissioners were listening.

"We hope President Preckwinkle will sign the repeal so we can all move on and work together to strengthen Cook County.

"Nothing good has come from Cook County's beverage tax. Residents and consumers have been forced to pay more on over 1,000 everyday beverages, including diet drinks. Higher prices have led to significant consumer flight, declining beverage sales have reached nearly 50% in some retailers and restaurants, and people have lost their jobs.

"What has happened in Cook County and places like Philadelphia should be a warning sign to any community considering a beverage tax to balance its budget. The beverage tax has been a distraction in Cook County at time when everyone needs to work together and find a better way. Beverage taxes just don't work and we look forward to December 1st."

This was the sixth time this year voters and /or elected officials across the country have rejected or taken steps to prevent the implementation of a beverage tax, including statewide rejections in West Virginia and Michigan. Tacoma and Spokane, Washington also explored possible beverage taxes but did not move forward following concerns expressed by residents and businesses. In comparison, only Seattle has voted to initiate a new beverage tax.

Additional background on the Cook County Beverage Tax

Since Cook County's beverage tax went into effect on August 2, outrage from Cook County residents and businesses has been overwhelming. Nearly [90% of Cook County residents oppose the tax](#) because they know the tax is aimed at raising revenue to fuel more county spending. Opposition to the tax has been called "[grass-roots hatred](#)" and polls show Cook County voters will hold [Preckwinkle](#) and [county commissioners](#) who support

the tax accountable. Simply put, residents are seeing through the campaign of misinformation from Cook County President Preckwinkle and New York City billionaire Michael Bloomberg.

Jones Lang LaSalle: County will come up 25-55% shortage of beverage tax revenue projections

President Preckwinkle is banking on the beverage tax to balance the county's budget for the next three years. But a recent analysis on projected county beverage tax revenue from Jones Lang LaSalle (JLL) concludes, ["Cook County estimates this tax will fund 10 percent its FY2018 budget, 2.27 times higher than our prediction."](#) JLL predicts the county will come up 25-55% short of its projected revenue from the beverage tax – leaving a GAPING hole in the budget the tax was intended to fill. Specifically:

- **JLL Best Case: Cook County will come up 28% short of the projected revenue.**
 - o Cook County will only raise \$156.2M in new revenue from the beverage tax – \$44.4M short of its projection.
- **JLL Predicted Case: Cook County will come up 55% short of the projected revenue.**
 - o Cook County will only raise \$88.5M in new revenue from the beverage tax - \$112.1M short of its projection.
 - o Kicker and unplanned costs: "[N]ew tax implementation spurs administrative and legal costs not considered by the county."

Meanwhile, residents are getting hammered while the beverage tax devastates Cook County businesses. Cook County residents are paying up to 67% percent more on more than 1,000 every day beverages, including juices, iced teas, lemonades, flavored waters, sports drinks, pop and even diet drinks. [Retailers in Indiana and the collar counties](#) are reporting increasing sales, while Cook County retailers are reporting [beverage sales declines of over 50%](#). Some distributors have already reported the decline in sales and lost revenue has [forced them to lay off workers](#).

The impact of Cook County's beverage tax could be devastating, including an estimated 6,100 lost jobs, \$321 million in lost wages and \$1.3 billion in lost economic activity (Dunn & Associates, 2016).

About the Can the Tax Campaign and Coalition

The *Can the Tax* coalition is an initiative of more than a dozen organizations in Cook County uniting to educate Cook County consumers, businesses and news media about the negative impact of the Cook County beverage tax on our local consumers and businesses. The Coalition will urge the Board of Cook County Commissioners to repeal the beverage tax to ensure Cook County residents have access to affordable consumer products and avoid the lost jobs and harm the tax will cause working families. Campaign activities are paid for by the American Beverage Association, a member of the *Can the Tax* campaign and coalition. To learn more, visit StopTheCookCountyTax.com.

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