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TAX**

JOIN THE FIGHT TO  
**STOP THE COOK COUNTY  
BEVERAGE TAX**  
AT [StopTheCookCountyTax.com](http://StopTheCookCountyTax.com)

**FOR IMMEDIATE RELEASE**

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## **Hundreds of Cook County Residents, Retailers, Restaurants, and Workers Rally to Repeal Beverage Tax**

*Coalition delivers nearly 10,000 letters County Commissioners calling for a beverage tax repeal*

**(CHICAGO - June 27, 2017)** – Hundreds of Cook County residents, retailers, restaurants and workers rallied today at the Walter R. Thompson Center to call on the Cook County Board of Commissioners to repeal the county's unfair and far-reaching beverage tax set to take effect on July 1, 2017. The rally coincides with the day before the Cook County Board is scheduled to meet for the final time before the tax goes into effect. Immediately after the rally, participants delivered nearly 10,000 letters to County Board members urging them to repeal the beverage tax.

"Cook County cannot continue to close the budget gap on the backs of working families and residents," said **John Coli, Jr., president of Teamsters Local 727**, while speaking to rally participants. "The beverage tax is going to break people's budgets. Today we are sending the strong and clear message that Cook County needs to repeal its misguided beverage tax before residents pay the price and jobs are lost."

The new beverage tax will increase prices on more than 1,000 different products in Cook County. Juice drinks, sports drinks, flavored water, iced tea, pop, and lemonade will all be taxed. The tax hits residents hard in their pocketbooks, adding \$0.67 to a 2-liter beverage, \$1.28 to a gallon of iced tea or juice, \$1.44 to a 12-pack and \$2.88 to a case of canned beverages. These increases are before Cook County's sales tax, among the highest in the nation, is added.

"Cook County's beverage tax is more about balancing a budget than it is about balancing a diet and we cannot continue to balance budgets on the backs of taxpayers," said **Cook County Commissioner John Fritchey**, while speaking at today's rally. "This is a regressive tax that is going to hit working families and small business owners at a time that they can least afford more expenses. Government at all levels must first continue to tighten our belts before we ask our residents to pay even more taxes."

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).

"Good tax policy is broad, equitable, stable and clear so people understand what they're paying for. Cook County's beverage tax doesn't check any of those boxes," said **Brian Jordan, President, Illinois Food Retailers Association**. "Cook County has changed the rules on how retailers and restaurants should administer the tax five times since June 1. I'm not sure how retailers are going to comply."

Rally attendees heard from the owners and managers of grocery stores, corner stores, minimarts and restaurants from across Cook County who spoke about the concerns they have if the beverage tax goes into effect on July 1.

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***News Release: Hundreds of Cook County Residents, Retailers, Restaurants, and Workers Rally to Repeal Beverage Tax (cont.)***

- **Sam Toia, President & CEO, Illinois Restaurant Association:** “This is a regressive tax that drives up costs for thousands of Cook County businesses, residents, and working families. At the very least, businesses deserve more time to comply with the complicated regulations and administrative burden of this misguided tax.”
- **Martin Sandoval, general manager of Food Market La Chiquita and Taqueria in Cicero, Little Village, and Franklin Park and a member of Illinois Food Retailers Association Board of Directors:** “We love the communities we serve and don’t want residents to have fewer food options in their neighborhood. But just like other retailers with stores inside and outside of Cook County, we will have to decide if operating in Cook County makes sense if the beverage tax goes into effect because the administrative challenges and financial burden on retailers are just too great.”
- **Carol Bollacker, owner of Boz Hot Dogs with locations in Lansing, Hazel Crest, Thornton, and Lynnwood:** “I already know there will be a big decline in sales after July 1 because many of our customers will just drive ten minutes into Indiana or Will County and pay less for dinner there. The beverage tax is going to hurt thousands of restaurants in Cook County and will force us to make some very hard decisions about if and how we operate in Cook County in the future.”
- **Abdull Shabazz, manager of Jackpot Minmart in Roseland:** “We operate on pennies and can’t afford to lose business because the county is forcing me to charge my customers more. If we close, what happens to our customers when they have nowhere else to go? A lot of the people in this neighborhood depend on us for their food and they’ll be stuck with no options. This will happen in more places than just Roseland and it’s unfair.”

Rally participants and Cook County residents were encouraged during the rally to post on social media pictures of their beverage receipts after July 1 with the hashtag *#CanTheTax*. The “Tweet Your Receipt” campaign is aimed at raising awareness about the real dollar impact the beverage tax is having on residents and the need for the County Board to repeal the tax.

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**Background on Cook County Beverage Tax**

On July 1, the new Cook County Beverage Tax will increase prices on more than 1,000 different products. Juice drinks, sports drinks, flavored water, iced tea, lemonade will all be taxed.

Under the new tax, Cook County residents will be paying significantly more when buying some of the most commonly purchased beverages. For example:

Item	Original Price**	New Cook County Beverage Tax	New Cost**	Increased cost due to Beverage Tax rate**
2-liter	\$0.99	\$0.67	\$1.66	67%
Gallon (juice, iced tea, etc.)	\$2.99	\$1.28	\$4.27	43%
Case of cans	\$7.99	\$2.88	\$10.87	36%
12-pack	\$4.99	\$1.44	\$6.43	29%

**\*\*Does not include the 3% City of Chicago soft drink tax or 10.25% State and Cook County sales tax**

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).

Cook County’s development of regulations and guidance to administer the tax has been called “a mess” by the Chicagoland Chamber of Commerce and there are concerns about the transparency of the regulations and ability for businesses to comply by July 1. The county has admitted the tax is broken and made five major changes to the regulation between June 1 and June 20, leaving less than two week for Cook County retailers, restaurants and businesses to try and comply with and the new regulations. But there have been no public comments or review of the new regulations or County Board consideration of the significant changes.

A similar beverage tax went into effect in Philadelphia on Jan. 1, 2017. In just six short months, Philadelphia businesses, consumers and workers have experienced economic losses far greater than originally predicted, including:

- **Beverage sales plummeted as much as 50 percent** at some local groceries and local beverage distributors reported up to a **45 percent decline in sales. Sales increased at retail outlets just outside Philadelphia** city lines, though not enough to offset the decline in sales within the city. ([Bloomberg Markets, 2/17/17](#))
- The **equivalent of more than 400 jobs have been lost** through layoffs and cutbacks in hours at local retailers, restaurants and manufacturers ([Bloomberg Markets, 2/17/17](#); [Philly.com, 3/1/17](#); [Philly.com, 4/28/17](#))

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- Philadelphia’s Controller announced the city **inflated revenue projections from its beverage tax** and is **17% short of the city’s projections**, creating a “potential **multi-million dollar burden on the city...**” The city is \$20 million short of this year’s \$46 million goal with only two months left in the fiscal year ([“Controller Butkovitz Raises Concerns Over Beverage Tax Shortfalls,” 6/13/17](#)).

Given the negative impact the tax will have on Cook County residents, the county’s on-going changes to the tax’s regulations and enormous confusion that exists, the only logical conclusion to a regulation so fraught with problems is to repeal. The county board needs to explore other, more equitable means of closing the county’s budget gap.

The *Can the Tax* Coalition is working to inform and educate Cook County residents, consumers and businesses about the devastating impact the beverage tax will have if it goes into effect, and urge Cook County Board members to repeal the tax.

**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](http://StopTheCookCountyTax.com).

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