



Beverage Tax to Hit Seattle Citizens in New Year

Education Campaign To Raise Awareness of Impending Tax Kicks off in Seattle

Seattle, December 7, 2017 – A public education campaign kicked off today alerting Seattle residents and those who work in and visit the Emerald City that the price of beverages will increase significantly beginning New Year’s Day.

The price increase is the result of a Seattle City measure, originally proposed in February by then Mayor Ed Murray and approved by the Seattle City Council on June 6, 2017, that imposes a tax of 1.75 cents per ounce on a wide variety of popular beverages including soda, sports drinks, energy drinks, juice boxes and more. Prices on many products will rise 50% or more. Some beverage products will more than double in price, making the final cost more tax than beverage.

The campaign was launched by Keep Seattle Livable for All, a coalition of neighborhood and community businesses and concerned citizens. The coalition is working with local Seattle businesses to raise awareness through educational materials in stores throughout the city highlighting the significant spike in prices coming in 2018.

“Starting on New Year’s Day, Seattle residents will see a big increase in the cost of a wide range of beverages they buy,” said John Engber, Director of the Retail Industry Coalition of Seattle. “The City applies this new tax to many beverages that people view as healthy options, including juices. I’m glad that this campaign will alert Seattle residents and neighborhood business owners about this new tax.”

The campaign warns consumers of “Higher Taxes Ahead” on their beverages that will “make the price of everyday beverages skyrocket January 1st.” These impending price increases include:

- One gallon of sweetened tea increases \$2.24
- 12 pack of 12 ounce soft drinks increases \$2.52
- Six pack of soft drinks (20 oz. bottles) increases \$2.10

Under the tax, nearly every beverage in stores would see a sharp spike in costs, with potentially more than a thousand beverages affected.

“The sweetened beverage tax will come as a shock to our customers and we plan to actively participate in this effort to prepare Seattle residents for the impact of this onerous tax,” said Daniel Kim of the Korean Grocers Association. “In addition to hitting consumers hard, I fear the tax will also hurt Seattle small businesses who are living on the margins and may lose sales and customers.”

Similar tax measures have shown to be unpopular in other cities and the cause of great economic harm to working-class families, local businesses and employees.

- In October in Cook County, Ill., the county government voted to repeal a beverage tax in effect for less than three months based on overwhelming consumer backlash and complaints from local businesses.
- The city council in St. Helens, Ore., recently rejected a beverage tax proposal in a 5-0 vote. In Philadelphia, a beverage tax has caused layoffs, reductions in employee hours, and sales decreases by as much as 50% for store and restaurant owners.
- In both Philadelphia and Berkeley, sales increased in neighboring cities and towns that do not have a beverage tax as consumers fled for lower prices.
- In Santa Fe, voters overwhelmingly rejected a similar tax in May.

These reactions point to a clear trend across the country of buyers’ remorse in cities and counties that have considered and/or are imposing a tax, particularly where elected officials bypassed a public vote to pass the tax.

“Seattle residents need to understand the impact this tax will have on wages and jobs,” said Peter Lamb, Teamsters Local 174. “This tax threatens to hurt Seattle businesses and put hardworking middle-class Americans out of a job. We need more family wage jobs in this city. Not less.”

Come the new year, neighborhood business owners and residents who object to this unfair and harmful tax will take part in activities throughout our community to show Seattle the negative effects the tax is causing people who can least afford it.

About Keep Seattle Livable for All

Keep Seattle Livable for All is a coalition of more than 200 concerned citizens, local businesses and community organizations actively opposing new taxes on everyday items like juice drinks, sodas, teas, sports drinks and ready-to-drink coffee beverages. We’re taking a stand because Seattle citizens can’t afford to pay even more at grocery stores, convenience stores and restaurants. For more information, visit www.keepseattlelivableforall.com.

For more information, or to speak to coalition members quoted in this release, please contact: Jim Desler at (425) 443-0458.