



Neighborhood business owners call on Seattle city council to focus on unintended economic impact of the beverage tax
Studies indicating economic impact of tax in other cities portend harm of measure to Seattle; "Border Stores" On Front Lines of Impact

Seattle, WA. Friday, January 26, 2018 – Neighborhood business owners and community leaders today said that the Seattle Sweetened Beverage Tax is having an even worse impact on their businesses than many expected, and they called on the City Council to turn their focus to the unintended damage the tax is causing to business and employee’s livelihoods. The call was made at a news conference in the Roxhill neighborhood of West Seattle, an area near the city border where businesses are especially hit hard by the new beverage tax.

“Today we are calling on our city leaders to reassess the value of the Seattle beverage tax, recognize the harm and unintended economic consequences it is inflicting on residents and businesses and acknowledge the confusion it has created,” 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.”

Since its implementation on Jan. 1, the beverage tax has created considerable controversy. A growing number of small businesspeople and customers are alarmed by the skyrocketing prices of beverages. Large retailers like Costco are so concerned for their customers that they’ve been encouraging them to shop outside of Seattle to avoid the higher prices. Seattle establishments most vulnerable to the negative impact of the tax, particularly neighborhood businesses near the city’s borders, are seeing their sales drop as shoppers leave Seattle for untaxed beverages.

“Neighborhood businesses don’t have the luxury of sending their customers to other locations outside the city,” said Jagajit Singh, host of the event and owner of A Pizza Mart on 35th and Roxbury. “Once our customers leave, they may not come back, which can cut severely into our bottom line, jeopardizing our jobs and adversely affecting our neighborhoods.”

Mr. Singh was joined by other business leaders who represent establishments near the city limits. Less than a mile from his restaurant, a store in White Center outside the city limits was [advertising “Get Your Drinks Here, No Sugar Tax”](#) offering lower prices on popular beverages. These business owners, community leaders and Seattle organizations who are members of the [Keep Seattle Livable for All](#)

coalition are calling on city leaders to stop the trend of regressive taxation that harms low income communities the most and threatens jobs and businesses in these areas.

Studies and reports released this month show patterns in cities and counties that have adopted similar measures that paint an alarming picture of the impact the beverage tax may have on Seattle if allowed to continue.

- A new [study](#) by Oxford Economics shows that grocery sales declined in Philadelphia and increased in the surrounding region, indicating consumers are traveling outside the city to avoid the tax. Same-store supermarket beverage sales in Philadelphia fell by 24 percent, while those outside Philadelphia increased by 14 percent. Sales of non-beverage items in Philadelphia supermarkets declined by a remarkable 7 percent. That means that customers are taking their entire shopping list to other stores outside of city lines.
- Cook County's short-lived penny-per-ounce tax on everyday beverages not only failed to bring in as much revenue as projected, but it might also have cost the county millions in sales tax revenue as consumers crossed county and state lines to buy their groceries.

Neighborhood business owners, employees and customers throughout the city are expressing their opposition and frustration to the new tax and sharing the impact and unintended economic consequences it is having on their business:

- "I operate this store with my family and over the past week we have taken notice of business dropping due to much cheaper options nearby. It is no doubt an unfair tax on smaller businesses such as mine," said Gezat Tesfaye, Owner, Hamadi Market
- "The tax makes it more difficult to do business in Seattle. I have seen customers leave their beverages at the counter and declare that they will just shop for the same products in Shoreline to save money," said David Ki of EZ Mart

[Voices of the People: The Growing Opposition to the Seattle Beverage Tax](#) shares more quotes and pictures from business owners and workers. As its public awareness campaign reaches its third month, [Keep Seattle Livable for All](#) will continue to work to give voice to those business owners, workers and customers impacted by the beverage tax. The coalition encourages Seattleites to share their opinions with city leaders by calling 1-800-397-3446.

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.