



- **MYTH:** This is a soda tax, not a grocery tax.

**FACT:** More than 1,000 products found in grocery stores would fall under the proposed tax including teas, coffee drinks, lemonade, juice drinks, sports drinks, enhanced water, mixers and energy drinks. There is no question this tax would mean higher grocery bills for Philadelphians.

“A gallon of Turkey Hill Green Tea Sweetened current price \$2.88, after the tax \$6.72.”

**David McCorkle, Pennsylvania Food Merchants Association 4/14/16, [6ABC](#)**

- **MYTH:** This is a 3-cent or 3 percent tax.

**FACT:** The proposed tax is 3-cents-per-ounce. This means the cost of many beverages would double. For example, the tax on a common 2-liter priced at \$1.79 would be \$2.04, more than the cost of the product. Right now a 20-can family pack costs \$5.99, but tack on a new \$7.20 tax and the price would rise to \$13.19.

“This burdensome tax on sugary drinks – 3 cents an ounce for bottled beverages and a ridiculous 4.05 cents on fountain drinks – would devastate mom-and-pop shops like mine that survive on small margins. And because fewer people will be buying these drinks, the city won’t get the money it needs to fund these programs.”

**Nick Staponas, Owner of Nick’s Famous Pizza 3/30/16 [Chestnut Hill Local](#)**

- **MYTH:** This is a tax on “Big Soda.”

**FACT:** The 3-cent-per-ounce tax proposed in Philadelphia is a tax on neighborhood stores, restaurants, movie theatres and other local businesses that operate on thin margins and depend, in part on beverage sales, for their livelihoods. The tax will also put at risk local, family-sustaining jobs in the beverage industry like truck drivers and production workers.

“I would have to raise prices or this tax would have a huge effect on the bottom line,”

**Marlo Dilks, co-owner of P’unk Burger on East Passyunk Ave., 3/23/16, [Billy Penn](#)**

- **MYTH:** This is a tax on the distributor – it can just be absorbed and does not have to be passed along to the consumer.

**FACT:** No business would be able to absorb a tax of this magnitude. Distributors will have no choice but to pass the tax on to consumers. And in fact, the legislation requires that distributors list the tax on invoices to retailers.

“It’s always going to be passed through to consumers no matter where you levy it.”

**Adam Finkel, University of Pennsylvania Law School, 4/13/16 [Newsworks](#)**

- **MYTH:** People will just switch to products that are not taxed.

**FACT:** People will not change their consumption behaviors. Philadelphians who have the means to travel outside the city will shift their shopping to the suburbs to avoid the tax. Lower-income families who do not own cars will be forced to pay the tax.

“I was looking at those 200 [ounce] jar Arizona things that my bodegas carry because if you are a mom, you buy it. And 200 ounces, so that’s six -- that’s nine bucks, right? Nine bucks. This is what they buy at the bodega. 200 ounces of Arizona Tea. I just -- it’s just heart breaking for me. What do I tell that mother? To buy 200 ounces of water?”

**Councilwoman Quinones-Sanchez, 4/6/16 [City Council Budget Hearing](#)**

- **MYTH:** This tax will fund programs such as Pre-K and renovating our parks.

**FACT:** These are important programs so it is imperative they be funded with a reliable and sustainable source of revenue. Both supporters and opponents agree that the tax will drive down sales. This makes it a declining revenue source that will not raise the funds needed to deliver on the promise of Pre-K and other programs. Philadelphians will be left with higher grocery bills but without the programs they have been promised.

“You can’t lean on a gimmick like this to sustain an ongoing important educational program.”

**Scott Drenkard, 3/2/16 Tax Foundation [Tax Policy Blog](#)**

- **MYTH:** The money from the tax will stay in the community.

**FACT:** This is a regressive tax that will disproportionately harm Philadelphians who are already struggling the most – they don’t need another tax burden.

“I do not support paying for this proposal through a regressive tax on soda and juice drinks that will significantly increase taxes on low-income and middle class Americans.”

**Senator Bernie Sanders, 4/21/16 [Bernie 2016 Press Release](#)**