

**Placing Taxes on Junk Food and Fatty Snacks: Can we tax people healthy?**

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The negative health effects that came from the consumption of junk food and fatty snacks has become a subject of concern to many scientists and researchers, with many proposing an increase in taxation to reduce its consumption. Lifestyle conditions such as obesity, hypertension, and diabetes pose a major challenge globally. According to the World Health Organization, 13% of adults suffered from obesity globally in 2014 with countries such as the United States and Mexico registering higher rates (World Health Organization, 2015). There has been a dramatic rise in the rate of obesity in the United States over the years, with many studies linking it with its affordability and accessibility. Although carbohydrates are important for providing energy in the body, simple carbohydrates such as junk food and fatty snacks elevate levels of blood sugar leading to diabetes and obesity (US Dietary Guidelines Advisory Committee, 2015). Placing taxes on junk foods and fatty snacks can reduce their accessibility and rate of consumption, thus promoting the health and well-being of people.

Taxing of cheap, energy-dense food is expected to reduce their consumption hence promoting the purchase of healthy options. The inexpensiveness of unhealthy food compared to the healthy ones is believed to be one of the primary causes of its high consumption. Since the burden of taxation is transferred to consumers, raising taxes of junk food and fatty snacks will lead to the rise in their price. The effectiveness of taxation on unhealthy products can be seen in the United States jurisdictions that have imposed taxes on Sugar Sweetened Beverages (SSBs). When Berkley, California imposed excise tax on SSBs in 2014, there was a 21% reduction in their consumption within the first four months. Mexico also imposed excise tax on SSBs in the same year leading to a reduction of 5.5% and 9.7% in the two consecutive years (Colchero et al., 2016). Although there is clear evidence that placing taxes on unhealthy products leads to the

reduction in their consumption, there is laxity in its implementation. There are more complex arguments involved when debating whether placing taxes on junk and fatty snacks is a better step in promoting the health of the people.

Imposing taxes on unhealthy foods could make individuals focus on more healthy options. Low-income populations spend a higher percentage of their annual income on unhealthy food compared to the higher-income individuals hence have a higher risk of obesity and other lifestyle conditions. The low-income population is asserted to be more adaptive to change to fit their budget hence the imposition of taxes will likely promote long-term health benefits. Additionally, revenue generated from the taxation can be used in promoting education, for subsidizing healthy foods, and recreational development hence improving the standard of living for low-income families. According to Kaplan (2018), Philadelphia sent 2400 children to pre-school from the \$72 million revenue collected from taxing sweetened beverages. Hence the lower social-economic household can benefit from taxation of junk foods and fatty snacks in resolving issues surrounding social equity.

People consider pricing when deciding the products they want to purchase. If there is a tax increase in the price of junk food and fatty snacks, people will find substitute products. Hence, taxes reduce the consumption of the target foods and make individuals focus on the alternatives. There are many studies showing the relationship between pricing and purchasing of food and beverages. American consumers are sensitive to pricing, which varies among different products. A 10% increase in fast-food will result in a 5% reduction in its purchase (Powell et al, 2009). However, the responsiveness to price increment is highly dependent on the ease to change to alternative products. There has been increasing evidence indicating that junk food is addictive since palatable food has the same effects on the brain as addictive drugs (Powell et al, 2009). The

study indicates that although people might be willing to live a healthy life and lose weight, it is exceedingly difficult because of the addictiveness of junk food. Therefore, although taxation seems to be a better way to reduce consumption of unhealthy food, these that are addicted might find it difficult to stop.

The public acceptance of placing taxes on junk food and fatty snacks vary extensively depending on their interest. The food and beverage industry is expected to oppose the change because of expected reduction in consumers. Although imposition of taxes on unhealthy products such as tobacco was effective, taxing food is more challenging. Lobbying groups argue that unlike tobacco and alcohol, taxing food is unethical since it is a basic need; hence, a deprivation of individual choice. Additionally some individuals view taxation of junk food as a violation of Americans' freedom and as one of the ways the government wants to control people. An example of the effects the public have on such policies include the ban of soda taxes in California following an extreme lobbying by American Beverage Association. Involving the public in such a decision, clearly explaining the impact of the policy implication, can make many individuals embrace the move.

Taxation of unhealthy foods and drinks will provide substantial revenue for the government which can be used to improve the living standard of the citizens. The proponents of taxation might ease their opinion if the revenue collected is used in the way they deem beneficial. According to Colchero et al (2018), the additional funds the government will get from taxation should be used in funding social marketing campaigns and obesity-prevention programs. Additionally, it should be used to subsidize the healthy food alternatives. Therefore, earmarking revenue by pairing excise tax and subsidies would lead to the enhancement of public health effects on tax. However, the revenue from taxation might not possibly match the health efforts

needed. For example, subsidizing healthy foods might require twice the amount of money acquired from taxation of the unhealthy food. The government can therefore find other reasonable ways to use the revenue including investing in new opportunities and offsetting tax regressively.

Junk foods and fatty snacks have been linked to many lifestyle conditions. Researchers have raised concerns over the increasing number of people affected by conditions related with consumption of unhealthy food with some suggesting that taxing those foods will curb its consumption rate. Well-established taxing will promote healthier eating habits hence improving the health and well-being of the people. Although taxation of other unhealthy products such as tobacco has proven successful, the issue with taxing food is more complex. Low-income families are the highest consumers of junk foods thus are more affected by its negative health impacts. Taxation of junk can help those families in improving their standard of living, using the revenue from taxation. Lobbying groups and the public have a say in implication of such policies, hence the need to present a compelling case. Therefore, more research needs to be done in determining the effects of taxation on not only the health of the consumers but also on the government and industrial stakeholders.

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