

# Taxing unhealthy food spurs people to buy less

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Labeling foods and beverages as less-healthy and taxing them motivates people to make healthier choices, finds a recent study in the *American Journal of Preventive Medicine*. When faced with a 30 percent tax on less healthy items, consumers were 11 percent more likely to purchase healthy alternatives. Labeling choices as "less healthy" influenced purchases by 7 percentage points.

The 30 percent [tax](#) rate was chosen as an extreme tax scenario, said Brian Elbel, Ph.D., MPH, assistant professor of [Population Health](#) and [Health Policy](#) at NYU and lead author on the study. "People responded to price changes," he said. "However, our method of labeling also had an impact on purchases and may make more of a difference if taxes on

unhealthy items are small," he added.

The findings are from an experiment conducted in an outpatient area at Bellevue Hospital Center in Manhattan, where researchers ran a small store for two months in 2011. They set the prices and labeling of snacks and beverages under five different conditions: a baseline with no special pricing or labeling, a "less healthy" label written in red lettering on the price tag, a 30 percent tax included in the price of less healthy items, a 30 percent tax on less healthy items plus a "less healthy" label, and a 30 percent tax with a label and an explanation of the unhealthy item tax. Each condition was tested for several days at the store.

"This is one of the first well-designed experiments testing taxes," said Marlene B. Schwartz, Ph.D., acting director of the Rudd Center for [Food Policy](#) and Obesity at Yale University. "In our society we have blindly accepted that healthy food is more expensive than [unhealthy food](#)," Schwartz said. Raising taxes on less-[healthy food](#) and beverage choices is one way to level the playing field, she noted. "We need to promote the healthier options and not sit by helplessly and say it is the way it should be."

Labeling changes and increasing taxes on less-healthy foods and beverages are some of the options being considered by several states to influence consumer food choices. According to the Rudd Center, more than two dozen states and cities have considered additional taxes as a way to promote healthier choices. Four states plus the federal government are looking at food or menu labeling to emphasize the relative healthiness of a product. The Institute of Medicine is recommending a simple rating system for labeling foods, Elbel noted.

**More information:** Elbel, B., Taksler, G. and Mijanovich, T, et al. (2013). Promotion of healthy eating through public policy: A controlled experiment, *American Journal of Preventive Medicine*.

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