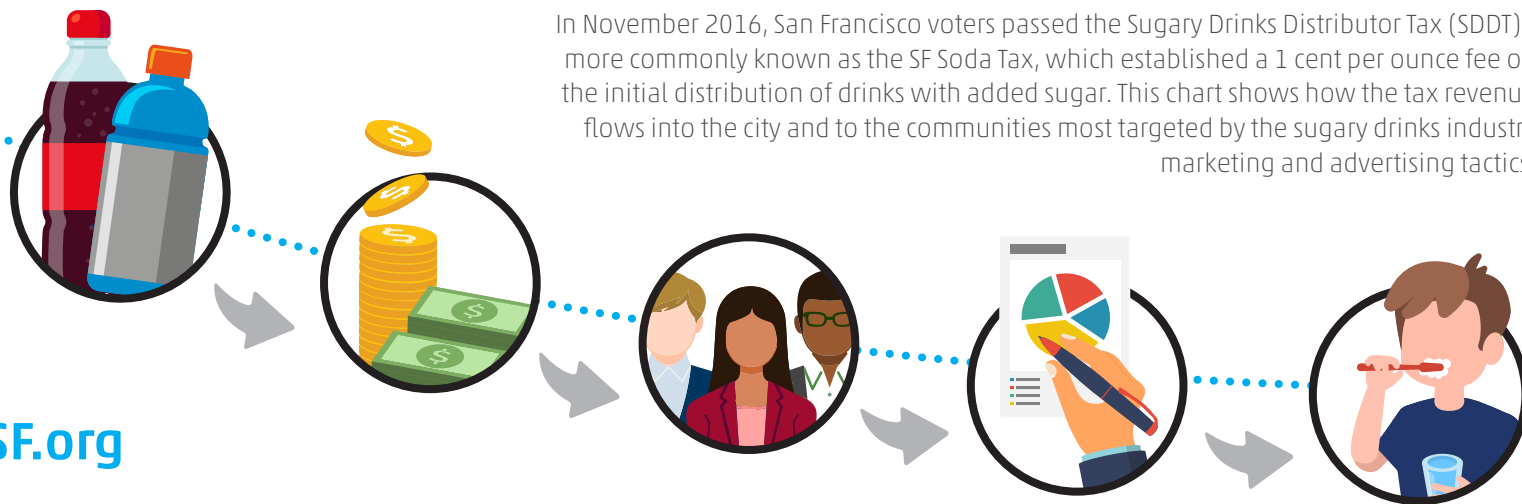




Sugary Drinks Distributor Tax (SDDT): How it Works

In November 2016, San Francisco voters passed the Sugary Drinks Distributor Tax (SDDT) - more commonly known as the SF Soda Tax, which established a 1 cent per ounce fee on the initial distribution of drinks with added sugar. This chart shows how the tax revenue flows into the city and to the communities most targeted by the sugary drinks industry marketing and advertising tactics.

Learn more at
www.SodaTax-SF.org



1. Sugary Drink Distributors are Taxed

The SF Soda Tax is not a sales tax. Distributors are responsible for paying the tax. Merchants may choose to pass the cost of the tax along to consumers.

2. Revenue is Collected

The SF Soda Tax collects about \$15-16 million each year. The revenue goes into the City's General Fund. About 22% is set aside for specific, voter-approved projects. The Tax Advisory Committee makes recommendations to the mayor on how to spend the remaining 78%.

3. Tax Committee Recommends Investments

The Committee talks to community members to learn about how the tax revenue could benefit people, especially low-income people and people of color who are most targeted by the beverage industry's advertising. The Committee then submits their funding recommendations to the Mayor.

4. City Budget Process Finalizes Investments

The Mayor submits a budget proposal to the Board of Supervisors, including recommendations for the SF Soda Tax funds. The Board of Supervisors votes on the budget and the Mayor signs it.

5. SF Soda Tax Funds Programs!

SF Soda Tax funds go to City departments who either implement programs and services directly or issue grants to community-based organizations to fund their important work.

