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First a Soda Tax, Now a Pizza Tax: The Food Police March On

By JONATHAN BERR Posted 11:00 AM 03/11/10 Healthcare, Taxes

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Though I believe that there is an obesity epidemic (I am a statistic myself), I have a tough time believing the study offers much of a solution.

For one thing, pizza isn't especially bad for you, and whole milk is not especially nutritious. Pizza clocks in at about 300 calories for single plain slice, according to CalorieKing: That's not a salad -- which can become an orgy of calories depending on the type of dressing you choose -- but it's not as bad as a McDonald's (MCD) Quarter Pounder, which has 510 calories. Of course, pizza gets more fattening when you add meat-based toppings to it such as peperoni.

As for milk, some experts have questioned whether drinking it is especially good for people. Whole milk is the most fattening variant, with 147 calories in a single serving.

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For their part, the authors argue that they are not trying to demonize any particular food.

"Our findings suggest that national, state or local policies to alter the price of less healthful foods and beverages may be one possible mechanism for steering U.S. adults toward a more healthful diet," the authors write. "While such policies will not solve the obesity epidemic in its entirety and may face considerable opposition from food

manufacturers and sellers, they could prove an important strategy to address overconsumption, help reduce energy intake and potentially aid in weight loss and reduced rates of diabetes among U.S. adults."

Theoretically, the authors are probably right. Making something prohibitively expensive discourages people from doing it. Subsidizing the production of high-fructose corn syrup is not a good idea either, and healthy foods should be more accessible and affordable. But other experts say reducing the fight over obesity to a struggle between good foods and bad foods is overly simplistic.

"I don't think you can single out one food or two foods as a cause of obesity." says Keri Gans, a registered dietitian based in New York and a spokeswoman for the American Dietetic Association. "People love their high-calorie coffee drinks that cost a fortune," though plain coffee is much cheaper.

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The idea of taxing people to better health is gaining popularity. Anti-obesity soda taxes are being discussed in New York and Philadelphia. There is even talk of a levy at the federal level. Both the Centers for Disease Control and Prevention and the American Heart Association support soda taxes. But these taxes are unfair to the poor, who already spend a far greater fraction of their salaries on food than the wealthy. And attempts to change behavior through taxation or legislation don't always produce the desired effects.

For years, smoking rates declined as cigarette taxes skyrocketed. Then the declines stalled, in part because states did not spend enough on smoking cessation efforts The CDC estimates that about 46 million American adults are smokers. Studies of New York City's law mandating that restaurants provide calorie information disagree about whether it is having a positive impact.

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Sallie James, a policy analyst at the libertarian Cato Institute, denounces these types of proposals as paternalistic. "It's no one's business what anybody puts in their mouths," she says in an interview. "I suspect some lawmakers are attracted to it for a revenue source."

Pizza Sellers Ask: Why Pick on Us?

With government budgets being squeezed, she has a point. Of course, obesity is a serious problem. Medical expenses for the overweight accounted for 9.1% of total U.S. medical expenditures in 1998 and may have reached as high as \$78.5 billion, according to the CDC. Approximately half of these costs were paid by Medicaid and Medicare.

From big chains to mom-and-pop operations, pizza is about a \$50 billion business in the U.S. Many pizza restaurants have suffered in recent years from wildly fluctuating commodities prices; meanwhile, cash-strapped have customers increasingly chosen to dine out in cheaper fast-food restaurants. An 18% tax increase on pizza and soda would be devastating to the industry, which counts on soda sales to boost its profits, says Jennifer Litz, editor of Pizza Marketplace, an industry Web site.

Some pizza chains seem puzzled as to why their product specifically is under fire from anti-obesity activists.

"Pizza is completely customizable -- you can make it as healthy or as indulgent as you want," says Tim McIntyre, vice president for communications at Domino's Pizza Inc. (DPZ), in an email statement. "It's the consumer's choice. Blaming certain foods [for] obesity is a stretch, to say the least."

At the very least, we should not make the cure for obesity worse than the disease.

Tagged: health, obesity

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Jonathan Berr

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Financial Writer and Media Columnist

Jonathan Berr is a former reporter with Bloomberg News whose work has appeared in *The New York Times*, *BusinessWeek* and *The Philadelphia Inquirer*. In 2000, he won the Gerald Loeb Award, one of the most prestigious prizes in business journalism.

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Mnymkr69k

12:00PM Mar 11 2010

Are you F'ing kidding me with this! I am so sick and tired of being taxed. What about that "no one making under \$250k will be taxed'? What a bunch of BS...soda tax, cigarette tax, more gas tax...Obama is a F'ing lying piece of ****!!! We need to vote these F'ing communist out of off and take OUR country back!!

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2.0

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3.0 3.5

4.0

4.5

5.0

(2 RATINGS)

FelixS778

11:54AM Mar 11 2010

PITSA IS A LUXURY.IT SHOULD BE TAXED AS SUCH, RIGHT THERE WITH DIAMONDS MINK, AND ROLLS ROYCE.IT IS MORE DAMAGING TO THE HEART THAN TOBACCO.SO MANY

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3/11/2010
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 AMERICANS LOOK LIKE SHAMU DUE TO PITSA.HERE IN EUROPE THERE'S NO SUCH
 GLUTTONY.
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2.0
2.5
3.0
3.5
4.0
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5.0
 (0 RATINGS)
 EDS T P
 11:40AM Mar 11 2010
 I'M TIRED OF GETTING SCREWED FOR ALL THE BAD DECISIONS OF THE LAZY FAT F----G
 COUCH POTATOES!! ALL YOU CAN EAT BUFFETS SHOULD GO AWAY. LOOK AT THE
 PEOPLE THAT ARE THERE WITH PILES AND PILES OF FOOD. TALKING ABOUT OVER EATERS
 ANONOMOUS CLUB? THE PROBLEM IS NOT FOOD IT IS EXCERCISE YOU FOOD POLICE
 IDIOTS. TAX TAX TAX.
 Reply Rate This Comment
0.5
1.0
1.5
2.0
2.5
3.0
3.5
4.0
4.5
5.0
 (1 RATINGS)
 Sg unknown
 11:39AM Mar 11 2010
 Water melon and fried chicken are next
 Reply Rate This Comment
0.5
1.0
1.5
2.0
2.5
3.0
3.5
4.0
4.5
5.0
(1 RATINGS)
LTJAYSANTOS
 11:33AM Mar 11 2010
 Pizza and soda are not unhealthy, unless you make a glutton of yourself. One twelve oz soda, one slice wont make
 you fat but six slices and a 64 ouncer will make you a fat slob. I see alot a woman with fat ankles now a days.
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0.5
1.0
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2.0
2.5
3.0
3.5
4.0
4.5
5.0
(4 RATINGS)
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PeopleSmoks

11:24AM Mar 11 2010

Remember when Obama said NO tax increase of any kind on people making less than \$250k? Iguess technically he didn't lie, this is a completely new tax... and you people beat the crap out of HW Bush over doing this.

Reply Rate This Comment

0.5

1.0

1.5

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4.5 5.0

(4 RATINGS)

Ggschk

11:09AM Mar 11 2010

YOU HAVE GOT TO BE KIDDING !!!!!!!.....A FRACKING PIZZA TAX ???......ENOUGH !!!!!

Reply Rate This Comment

0.5

1.0

1.5

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3.0

3.5 4.0

4.5

5.0

(5 RATINGS)

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