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Ethical Issues in Public Health  
**Session 4: Obesity and “Fat Taxes”**

Policymakers across the nation are attempting to address the American epidemic of obesity. This year alone, over 140 bills have been aimed at obesity. Proposed legislation and public health initiatives to address obesity have ranged from imposing school-based physical education standards and the removal of school vending machines to requiring fast food restaurants to post nutritional information in their stores. Some even suggest imposing taxes on high fat, sugar, or carbohydrate foods and goods that are often associated with a sedentary lifestyle.

In June 2003, New York State Assemblyman Felix Ortiz proposed legislation to increase taxes on certain fatty and sugary goods, video games, movie tickets and DVD rentals that allegedly contribute to obesity. The Ortiz bill, also known as a “fat tax”, would require an “additional ¼ of one percent sales tax on: food and drink currently taxed, except for bottled water; the sale and rental of video and computer games, and video game equipment; and, the sale and rental of video and DVD movies. There would also be a new 1 percent sales tax on untaxed food and drink that are defined as sweets or snacks according to the federal National Nutrient Database for Standard Reference, and on admission to movie theaters. Corporations would pay a tax on their New York share of advertising these products on television shows primarily watched by children under 18. The revenues raised would be deposited in a Childhood Obesity Prevention Program fund for the purposes of the NYS Childhood Obesity Prevention Program” (New York State Assembly, Felix Ortiz). These revenues are expected to be around \$50 million and would be allocated for nutrition and exercise programs for children through the Childhood Obesity Prevention Program.

The bill, according to Mr. Ortiz, is aimed at creating a funding stream for public health efforts to reduce obesity in New York State, particularly among children. He argues “the few cents per person I am proposing to spend on prevention now will be dwarfed by the billions of additional hospital and doctor visit costs in 20 years.” State experts have also noted that nearly \$5 billion is spent annually in New York State for obesity-related health costs and that 50% of all Medicaid costs in the state are also due to obesity.

Opponents of the legislation argue that the proposed sales tax increases will be regressive affecting mainly lower income families. Opponents argue that such legislation also serves as a punitive tax, punishing the obese by forcing them to pay higher taxes. Moreover, some argue that the ¼% increase in sales tax will fail to price lower income persons out of the “sedentary goods” market, thereby imposing a regressive tax that also fails its public health goal of reducing the use of goods contributing to obesity. In addition, there are concerns that this sort of legislation paves the way for the government to encroach upon the private lives and choices of its citizens. Opponents of this bill argue that this is just the first step on a slippery slope toward greater government control over individual lifestyle choices.

You are the ethicist invited to give oral testimony for the Standing Committee on Children and Families regarding Assemblyman Ortiz’s bill. You have been asked to provide ethical justifications of imposing this “fat tax” in New York State.