



## Legislation Text

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**File #:** Res 1007-2007, **Version:** \*

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Res. No. 1007

Resolution calling upon the New York State Legislature and Governor to amend the New York State Tax Law to exempt healthy foods and drinks purchased in restaurants and other eateries from the sales tax.

By Council Members Rivera, Fidler, Liu and Mealy

Whereas, National studies have determined that over the past three decades obesity rates in the United States have doubled in adults and tripled in children, so that presently almost one-third of children and two-thirds of adults are either overweight or obese; and

Whereas, Being overweight or obese contributes to chronic health conditions such heart disease, certain types of cancer, diabetes, depression, arthritis, and asthma; and

Whereas, Numerous studies link poor diet (i.e., excessive amounts of processed, fatty foods, as well as dairy, meat and sugar) with obesity; and

Whereas, Since the 1970s the proportion of money spent on food eaten away from home, as well as the number of restaurants, has increased significantly; and

Whereas, Most of the highly processed meals that people consume in restaurants are less nutritious, higher in fats and calories, and lower in healthy nutrients as compared to meals made with whole organic foods which studies have found have higher levels of cancer-fighting antioxidants than conventionally grown foods and meals prepared at home; and

Whereas, Restaurants and consumers cite affordability as one of the main reasons they choose to serve or consume highly processed foods over less processed or organic items; and

Whereas, Currently, Section 1105(d) of the New York State Tax Law (the “Tax Law”) imposes a sales tax on the receipts from the sale of food and drink sold in or by restaurants, taverns, and other eateries, which

applies to all food and beverages sold for on-premises consumption; and

Whereas, Article twenty-nine of the Tax Law authorizes the city of New York to impose a similar tax on the sale of food and beverages sold for on-premise consumption, bringing the total City and State sales tax on such purchases to 8.375% (the “Meals Tax”); and

Whereas, Exempting the purchase of healthy foods and drinks - foods and drinks that are beneficial for good health such as natural, organic, and whole foods- from the Meals Tax would drive down the cost of many of these food and drink items and, in turn, encourage the consumption of these healthier alternatives; and

Whereas, Providing a targeted tax incentive for the purchase of healthy foods and drinks would not only address the obesity epidemic by making the price of these foods more affordable, but would also reduce the risk of many of the health conditions associated with obesity such heart disease, diabetes and arthritis; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the New York State Legislature and Governor to amend the New York State Tax Law to exempt healthy foods and drinks purchased in restaurants and other eateries from the sales tax.

AB  
LS # 3333  
July 24, 2007