

## If you have a sweet tooth, it might cost you more than just a trip to the dentist

**13 September 2017**

The South African treasury delays the imposition of "sugar tax"

During the 2016 budget speech, then South African Minister of Finance, Pravin Gordhan, announced the proposal to tax the sugar content of beverages, which became known as the "sugar tax".

Sugar tax was initially expected to come into effect earlier this year, however, National Treasury has announced that this tax will likely only be enforced in April 2018.

According to Treasury, sugar tax is motivated by the high consumption of sugary beverages in South Africa, which impacts levels of obesity, and further contributes to an increase in non-communicable diseases, such as diabetes and hypertension.

However, when discussions regarding the imposition of a sugar tax began, many industry associations and interested parties voiced their concerns, and stated that impact assessments should first be undertaken, in order to fully understand the potential impact such a tax may have on the industry as a whole and, in particular, employment levels within the industry.

Currently, it is proposed that the sugar content of beverages be taxed at a rate of 2.1c per gram of sugar, and calculated above a threshold of 4 grams of sugar per 100ml of the beverage in question. Beverages that would be exempt from sugar tax include 100% fruit juice and unsweetened milk and milk products.

One of the material issues to be considered is whether the imposition of a sugar tax will achieve the intended goal of a healthier society, as will hopefully be the case, without adversely impacting employment in the beverage industry?

[> Read the full article online](#)