

First-Year Evaluation of Mexico's Tax on Nonessential Energy-Dense Foods: An Observational Study

The prevalence of overweight and obesity in Mexico is over 33% in children and around 70% in adults – a substantial increase from previous years. Increasing levels of overweight and obesity were concurrent with large increases in sugar-sweetened beverage (SSB) and nonessential energy-dense (ultra-processed) food sales and consumption. Worldwide, Mexico is the fourth largest per-capita consumer of energy-dense, ultra-processed food and drinks. In an effort to combat this, in 2014, the Mexican Government introduced an 8% tax on nonessential foods with energy density ≥ 275 kcal/100 g and a peso-per-liter tax on sugar-sweetened beverages (SSBs). This study aims to determine how the implementation of these taxes on ultra-processed food products and sugar sweetened beverages has changed the levels of purchase and consumption of these products. The study also aims to elucidate how purchase levels have changed based on socioeconomic status.

The study examined data on household packaged food purchases from before and after the implementation of these taxes. Using a longitudinal, fixed-effects model, results of the study revealed a significant change in the purchased volume of taxed foods as a result of the tax introduction in 2014. The mean volume of taxed foods purchased changed by -25g per capita per month, or a reduction of 5.1% as a result of the tax implementation. There were no significant changes observed in the volume of untaxed products purchased. Differences were also observed in the volumes of taxed products purchased when stratified by socioeconomic status of individuals.

Overall, the study concludes that the volume of nonessential energy-dense foods purchased was reduced as a result of the introduction of Mexico's SSB and nonessential foods taxes.

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