

# ISSUE 4

## PROPOSED CONSTITUTIONAL AMENDMENT

**4**

(Proposed by Initiative Petition)


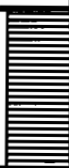
To amend Article XII of the Ohio Constitution by the addition of Section 13.

**CURRENT SECTION 3(C) OF ARTICLE XII PROHIBITS TAXES ON THE SALE OR PURCHASE OF FOOD FOR HUMAN CONSUMPTION OFF THE PREMISES WHERE SOLD. THE AMENDMENT WOULD EXPAND THE CURRENT RESTRICTIONS BY:**

- 1. PROHIBITING THE CURRENT WHOLESALE TAX ON SOFT DRINKS AND OTHER CARBONATED, NON-ALCOHOLIC BEVERAGES.**
- 2. PROHIBITING ENACTMENT OF A WHOLESALE TAX ON THE SALE OR PURCHASE OF SOFT DRINKS, CARBONATED, NON-ALCOHOLIC BEVERAGES, OR FOOD FOR HUMAN CONSUMPTION, OR THEIR INGREDIENTS OR PACKAGING.**
- 3. PROHIBITING ENACTMENT OF A TAX ON THE SALE TO OR PURCHASE BY A MANUFACTURER, PROCESSOR, PACKAGER, OR RESELLER OF SOFT DRINKS, CARBONATED, NON-ALCOHOLIC BEVERAGES, OR FOOD FOR HUMAN CONSUMPTION, OR THEIR INGREDIENTS OR PACKAGING.**
- 4. PROHIBITING ENACTMENT OF RETAIL TAXES ON PACKAGING THAT CONTAINS SOFT DRINKS, OTHER CARBONATED, NON-ALCOHOLIC BEVERAGES, OR FOOD FOR HUMAN CONSUMPTION.**

**IF ADOPTED, THIS AMENDMENT WILL BE EFFECTIVE 30 DAYS AFTER ADOPTION.**

**A majority yes vote is necessary for passage.**

	<input type="checkbox"/>	YES	<b>SHALL THE PROPOSED AMENDMENT BE ADOPTED?</b>	
	<input type="checkbox"/>	NO		

## **EXPLANATION FOR STATE ISSUE 4**

By law no explanation for Issue 4 was adopted by the Ohio Ballot Board because the amendment was proposed by initiative petition. An explanation is included with the argument against this issue.

## ARGUMENT FOR STATE ISSUE 4

### VOTE “YES” ON ISSUE 4 — TO STOP TAXES ON FOOD

A YES vote on Issue 4 will restore Ohio’s tradition of protecting consumers from paying taxes on food.

When the constitutionality of a new wholesale soft drink tax was challenged in 1992, the court ruling opened a gaping hole in Ohio’s constitution, which had been thought to prohibit food taxes.

The court ruled that retail food taxes are indeed illegal. But, it concluded that wholesale taxes on food are legal!

A YES vote on Issue 4 will close this loophole, and restore Ohio’s constitutional prohibition on taxing food.

Specifically, Issue 4 will prohibit wholesale taxes on food and other hidden taxes on food ingredients and food packaging. It also will repeal the 1992 soft drink tax.

Repealing the soft drink tax will not affect existing state programs. The revenues go into the General Fund, and are not dedicated to any specific area.

We urge you to support Issue 4 because:

1. Taxing food is wrong. Food taxes especially hurt those who can least afford to pay, such as families with children and seniors on fixed incomes.
2. Allowing state government to enact hidden taxes on food will set a dangerous precedent. The state is already looking at new food taxes to raise revenues.
3. Hidden, wholesale taxes on food are ultimately passed on to consumers. The soft drink tax already costs consumers \$70 million annually. Future wholesale food taxes could cost us hundreds of millions of dollars more per year.

Let’s restore our constitutional tradition of prohibiting food taxes — before state government goes any further.

Join our broad-based committee of thousands of Ohioans in voting YES on Issue 4.

### COMMITTEE TO PREPARE ARGUMENT FOR ISSUE 4

Diana Winterhalter  
Dan Schonhoft  
STOP TAXES ON FOOD COMMITTEE

## **EXPLANATION AND ARGUMENT AGAINST STATE ISSUE 4**

STATE ISSUE 4 is a constitutional amendment to repeal a state tax on soda pop. Don't be misled into believing it eliminates taxes on food. Since 1936 Ohio's Constitution has prohibited state taxes on food off the premises where sold.

This amendment is being proposed primarily by out-of-state soda pop vendors which seek to use the Ohio Constitution to promote their limited special interests. Here are five reasons why every Ohio voter — and taxpayer — should vote NO on ISSUE 4.

- (1) Contrary to its supporters' misleading claims, ISSUE 4 is not a reaction to a tax on food. Its purpose is to prohibit the current wholesale tax on soft drinks and other carbonated, non-alcoholic beverages. The tax amounts to a penny a can, which is modest and fair.
- (2) State law has never defined soft drinks as food. They are NOT a nutrition source for children or adults. So they should be subject to taxation just like other non-food products. It's only fair.
- (3) If passed, ISSUE 4 will reduce state funds available for education and childrens programs in Ohio. The soda pop tax generates \$130 million per budget period, which is needed to support education and other vital programs for children.
- (4) Consumers don't pay Ohio's pop tax. The soda pop companies do. Marketplace competition continues to hold down pop prices at the store.
- (5) To balance the state budget and prevent cuts in school funding, the wholesale pop tax was approved in 1992 by a bipartisan majority in the state legislature and Governor George Voinovich. Passage of ISSUE 4 could result in harmful cuts in education and other state programs — or it will necessitate the adoption of another tax hike more objectionable to consumers.

On November 8th, vote NO on ISSUE 4!

## **COMMITTEE TO PREPARE ARGUMENT AGAINST ISSUE 4**

R. Gregory Browning  
Stephen A. Perry  
Gayle S. Channing  
Mark Real  
I. John Reimers