

Temporary report of the Sugar Tax Working Group in Finland  
The case of sugar-free gum  
*August 2012*

Wrigley, the leading chewing gum manufacturer in Europe, welcomes the work of the sugar-tax working group and the opportunity of responding to the consultation on the temporary report published on 5 July 2012.

Chewing gum products are subject to the tax on sweets and confectionary which was introduced in Finland on 1 January 2010. The tax applies in the same way to sugar-containing chewing gum and sugar-free gum, regardless of the sweetener used in the gum. Wrigley believes that the current situation puts sugar-free gum in a disadvantaged position while these products have established health benefits and we therefore strongly support a revision of the current tax model, which would take these specificities into account by exempting sugar-free gum from the tax.

In the area of dental prevention, Finland has made very positive experiences with the widespread use of sugar-free chewing gum, particularly with the use of xylitol-sweetened chewing gum among children. The various health benefits of sugar-free chewing gum have recently been recognised by the European Food Safety Authority (EFSA) and as a result a number of health claims on sugar-free gum have been approved at EU level:

- Sugar free chewing gum reduces of tooth demineralisation, which reduces the risk of dental caries;
- Sugar free chewing gum neutralises plaque acids, which reduces the risk of dental caries;
- Sugar-free chewing gum may reduce oral dryness.

As the aim of the tax is to encourage healthier eating habits, it should not apply to products which have established health benefits such as sugar-free gum. Furthermore, in order to ensure equal treatment of all competing products, all sugar-free products should benefit from the same exemption regardless of the type of sweetener that they contain.

The table below presents the elements that have to be taken into account as far as sugar-free gum is concerned for the three options presented in the temporary report.

Scope of the tax	Situation for sugar-free gum
Option 1 Only products with added sugar are covered by the tax	Sugar-free gum does not contain 'sugar' as per the definitions provided for in Regulation EC/1169/2011 on food information to consumers and Regulation EC/1624/2006 on nutrition and health claims. Under this option, they would therefore be exempted from the tax. It is however essential that the definition of 'sugar' corresponds to the above-mentioned EU Regulations so as to keep sweeteners-containing products out of the scope of the tax.
Option 2 Based on the total amount of sugar in the product	Sugar-free gum does not contain 'sugar' as per the definitions provided for in Regulation EC/1169/2011 on food information to consumers and Regulation EC/1624/2006 on nutrition and health claims. Under this option, they would therefore be exempted from the tax. It is

	however essential that the definition of 'sugar' corresponds to the above-mentioned EU Regulations so as to keep sweeteners-containing products out of the scope of the tax.
Option 3 The current scope of the tax is extended to more product categories.	Under this option, the products which are currently subject to the tax would continue to be so in the future. Wrigley is against this option as sugar-free gum would still be covered by the tax, which goes against the public health objective of the tax.

Wrigley supports the revision of the current food tax model and calls on the Sugar Tax Working Group to ensure that products with established health benefits such as sugar-free gum are not unduly targeted by the tax. Wrigley therefore supports a model which would not apply to sugar-free gum, regardless of the type of sweeteners used in the product.

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