

The Attorney General of California has prepared the following title and summary of the chief purpose and points of the proposed measure:

EXEMPTS ADDITIONAL FOOD PRODUCTS FROM STATE AND LOCAL SALES

TAXES. INITIATIVE CONSTITUTIONAL AMENDMENT. Currently, most groceries and unheated food and beverages sold to go are exempt from state and local sales taxes, while restaurant meals, hot prepared food, and certain other food and beverage sales are taxed. This measure would (1) exempt from state and local taxes all food and nonalcoholic beverages regardless of how it is prepared, sold, delivered, or consumed; and (2) reduce revenues for government services by repealing existing taxes on food and beverages. Does not apply to alcohol, and nicotine, tobacco, or cannabis food products. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local governments: **State and local revenue loss, likely between \$10 billion and \$15 billion per year.** (26-0005.)