Special Notice

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711

Sales of Nutritional Drinks Are Generally Not Taxable

Tax does not generally apply to the sale of food products for human consumption, including most nutritional drinks. However, tax generally does apply to the sale of nutritional drinks described on their label or package as food supplements or food adjuncts or that meets other criteria as specified below.

What is a nutritional drink product?

Nutritional drink products are generally milk or juice based products that often promote themselves as having additional nutrients. These drinks are mixed or enriched for the purpose of providing general nutrition, are not carbonated, and do not contain alcohol. (Please note: Sales of drinks that are carbonated and/or contain alcohol are generally taxable).

Nutritional drinks with a Nutrition Facts label

Nutrition Facts
Serving Size 1 bottle (8 fl oz)

Amount Per Serving			
Calories 220		Calories from Fat 50	
	% DV*		% DV*
Total Fat 6g	9%	**Sodium** 200mg	8%
Saturated Fat 1g	5%	**Potassium** 370mg	11%
Trans Fat 0g		**Total Carb.** 32g	11%
Polyunsaturated Fat 3g		Dietary Fiber <1g	<4%
Monounsaturated Fat 2g		Sugars 15g	
Cholesterol 5mg	2%	**Protein** 9g	18%

Vitamin A	25% • Vitamin C	50% • Calcium	30%
Iron	25% • Vitamin D	50% • Vitamin E	25%
Vitamin K	25% • Thiamin	25% • Riboflavin	25%
Niacin	25% • Vitamin B_6	25% • Folate	25%
Vitamin B_{12}	25% • Biotin	25% • Pantothenic Acid	25%
Phosphorus	25% • Iodine	25% • Magnesium	25%
Zinc	25% • Selenium	25% • Copper	25%
Manganese	60% • Chromium	25% • Molybdenum	50%
Chloride	8%		

*Percent Daily Values (DV) are based on a 2,000 calorie diet.

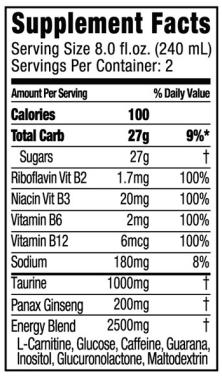
INGREDIENTS: WATER, CORN MALTODEXTRIN, SUGAR, MILK PROTEIN CONCENTRATE, SOY OIL, SOY PROTEIN ISOLATE, SUCROMALT, CANOLA OIL, LESS THAN 0.5% OF: CORN OIL, MAGNESIUM PHOSPHATE, POTASSIUM CITRATE, CELLULOSE GEL, NATURAL AND ARTIFICIAL FLAVOR, SALT, CALCIUM PHOSPHATE, SODIUM CITRATE, CALCIUM CARBONATE, POTASSIUM CHLORIDE, CHOLINE CHLORIDE, ASCORBIC ACID, CELLULOSE GUM, MONOGLYCERIDES, SOY LECITHIN, CARRAGEENAN, POTASSIUM HYDROXIDE, LIQUID SUCRALOSE, FERROUS SULFATE, d-ALPHA-TOCOPHERYL ACETATE, ACESULFAME POTASSIUM, ZINC SULFATE, NIACINAMIDE, MANGANESE SULFATE, CALCIUM PANTOTHENATE, CUPRIC SULFATE, VITAMIN A PALMITATE, THIAMINE CHLORIDE HYDROCHLORIDE, PYRIDOXINE HYDROCHLORIDE, RIBOFLAVIN, FOLIC ACID, CHROMIUM CHLORIDE, BIOTIN, SODIUM MOLYBDATE, POTASSIUM IODIDE, SODIUM SELENATE, PHYLLOQUINONE, VITAMIN B_{12} AND CYANOCOBALAMIN.

Sales of nutritional drinks are generally not subject to tax when they have **Nutrition Facts** on their label or package unless:

- The label or package describes the product as a food supplement, or adjunct; or
- The product is prescribed or designed to remedy specific dietary deficiencies or to increase or decrease: vitamins, proteins, minerals or caloric intake.

Sales of powder mixes with substantially the same ingredients and labeling as their ready-to-drink counterparts are also not subject to tax when the sale of the nutritional drink is not subject to tax.

Nutritional drinks with a Supplement Facts label



Supplement Facts
Serving Size 8.0 fl.oz. (240 mL)
Servings Per Container: 2

Amount Per Serving		% Daily Value
Calories	**100**	
Total Carb	**27g**	**9%***
Sugars	27g	†
Riboflavin Vit B2	1.7mg	100%
Niacin Vit B3	20mg	100%
Vitamin B6	2mg	100%
Vitamin B12	6mcg	100%
Sodium	180mg	8%
Taurine	1000mg	†
Panax Ginseng	200mg	†
Energy Blend	2500mg	†
L-Carnitine, Glucose, Caffeine, Guarana, Inositol, Glucuronolactone, Maltodextrin		

Sales of nutritional drinks are generally subject to tax when they have **Supplement Facts** on their label or package and/or are described as a food supplement, food adjunct, dietary supplement, or dietary adjunct on the label or package.

However, sales of nutritional drinks that are a complete dietary food, regardless of labeling or packaging, are not subject to tax. Complete dietary foods provide 70 grams of protein, 900 calories, and the minimum daily requirements of vitamins and minerals A, B1, C, D, riboflavin, niacin, calcium, phosphorus, iron, and iodine set by the Food and Drug Administration (FDA) within three servings.

For additional information

For more information on how tax applies to food products, please refer to publication 31, *Grocery Stores*, at *www.boe.ca.gov/pdf/pub31.pdf*.

If you have any questions, please call the Customer Service Center at 1-800-400-7115 (TTY:711) Monday through Friday from 8:00 a.m. to 5:00 p.m. (Pacific time), excluding state holidays.

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