04/26/2020

Authors: Megan Burnette Madison Carney Katie Flanagan Merrit Jones Lauren Stiller Jesse Tuttle





This policy reports begins by outlining the history of the 'Pink Tax' in the United States and the current political regulations and conditions. Additionally, this report analyzes the nuances of this issue, and the pink tax's contribution to the larger conversation about menstrual inequalities.

Contents:



Overview & Background



Nuances of the Pink Tax



The Tampon Tax



Policy Solutions



References

OVERVIEW

02

What is the 'Pink Tax'?

The 'Pink Tax' refers to the productprice differentiation between men and women's products that are functionally similar. This phenomenon states that women pay more to obtain the sexequivalent product to men. This implies that women will pay more for similar products to men over their lifetimes.

This price gap contributes to menstrual inequity and poverty's correlation with gender.

How did the Pink Tax develop?

Manufacturers and retailers have a history of pricing gendered goods and products differently, and making those marketed towards girls and women more expensive with little justification.



While some states have taken initiative and repealed the pink tax, tax on menstrual products, or passed legislation to promote market equality, most have not. American government and politics have overwhelmingly been male-dominated for almost all of U.S. history, and majority-male legislatures can lead to a gap in women's issues being addressed. Historical stigma around menstruation also prevents open conversation and education in media and politics. Additionally, there may be a lack of focusing events in states who have not addressed the pink tax; In cities, states, or countries where taxes on menstrual products were repealed it was almost always in response to a petition or protest movement.

This gender tax particularly affects menstrual products: items such as tampons, pads, menstrual cups, liners, or anything a woman may use for personal hygiene while on her period. There are 33 states in the US that tax these products as non-necessities, raising the price on items that are essential for women. The pink tax on menstrual products specifically is known as the "tampon tax" and contributes to menstrual inequity and poverty's correlation with gender. Non-traditional goods can carry a pink tax too, such as public transportation, cars, health insurance, and medicine. These goods can be more expensive for women for a number of reasons or carry a non-financial tax, such as the fear of harassment on public transport.



42% of women's products are more expensive then men's, according to a New York City Department of Consumer Affairs survey



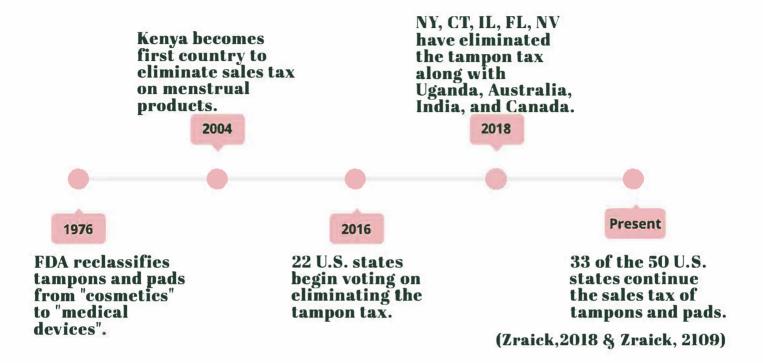
Women are 35% more likely to live in poverty than men (Weiss-Wolf, 2017)



Number of countries and states that have abolished their sales tax on menstrual products (Zraick, 2018)

Political and Social History

Political History



Social History

Religious and social taboos around periods have been in place for centuries, making it difficult for American society to have any public discourse about topics concerning menstruation.

Taboos surrounding menstruation demonstrate a cultural aversion to menstruation. Feminine hygiene commercials depict American society's underlying belief that periods are "dirty" by emphasizing cleanliness (Webster, 2017). Judaism restricts women in "Niddah", meaning during menstruation, from making physical or sexual contact with men. This ideology depicts women as not only unclean, but a threat to men (Webster, 2017). Islam's doctrine prohibits women from praying, fasting during Ramadan, entering places of worship, and sexual intercourse due to uncleanliness (Webster, 2017). These restrictions isolate Muslim women from religious society during menstruation. Overall, religious believes have created a social exclusion and stigmatization of women due to a natural biological process.

Nuances of the Pink Tax

04

ECONOMIC

The "pink tax", implies that women will spend more money over their lifetime to gain functionally similar items as men. Furthermore, this price gap contributes to menstrual inequity and poverty's correlation with gender.

Although difficult to quantitatively describe, the "Cradle to Cane" study by The New York City Department of Consumer Affairs found that 42 percent of women's products cost more than men's products, while 18 percent of men's products are more expensive. Furthermore, women pay more than men for similar products twice as often (New York, 2015). Women are 35 percent more likely to be poor than males, twice as likely to participate in the Supplemental Nutrition Assistance Program (SNAP), and are almost exclusively served by the Special Supplemental Nutrition Program for Women (WIC) (Weiss-Wolf, 2017). However, federal programs such as WIC, Medicaid, and Flexible Savings Accounts that help provide low-income families with groceries and necessities cannot be used to purchase menstrual products. This intersectionality of poverty and this tax exploits women even further and perpetuates this poverty.

Menstrual equity refers to "the belief that all menstruating individuals, regardless of their circumstances, should have adequate and appropriate access to menstrual products so that they can navigate life in the same way a non-menstruating individual would"

~Weiss-Wolf, 2017

SOCIAL

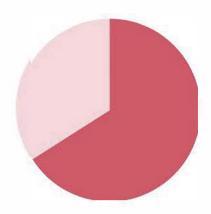
Equality framework only assists menstrual products to be regarded as identical as men's products (Weiss-Wolf, 2017). Several class action cases have been filed, stating the tampon tax violates the equal protection clause in the U.S. Constitution (Metzinger, 2020). This sex-specific tax is argued to contribute to discrimination based on sex, leaving women more financially vulnerable than men (Zraick, 2019).

Because they pay more for similar products and earn less than men on average, the class mobility of women is hurt by the pink tax, as well as the amount each woman will accumulate over her lifetime. This implies she has less than the average male to spend on other things such as healthcare costs, housing, transportation, vacations, etc., affecting her quality of life.

The Tampon Tax

The Tampon Tax

The pink tax phenomenon that occurs when menstrual products are not given the necessity exclusion from taxes that other goods, such as groceries and medicines, are given, it is referred to as the "tampon tax". Thirty-three states currently have state-wide taxes on personal property, and almost all of them give tax exemptions for necessity, or non-luxury items, including groceries, food stamp purchases, medical purchases (prescriptions, prosthetics, and some over the counter drugs), agriculture supplies, and clothes. Menstrual products are not classified as necessities in these states despite being medical necessities for women, creating the tampon tax problem.



33 out of 50 states in the U.S. currently tax menstrual products as non-necessities.

Implications of the Tampon Tax

Individuals with menstrual cycles are economically punished for a biological process they cannot control due to the tax classification of menstrual products as non-essential. Because menstruation is not optional, buying feminine hygiene products is also not optional regardless of whether or not the products are taxed. Women will spend an average of 40 years, or half their lives, paying this tax that exacerbates the wage gap that already exists between men and women.

The Tellier & Hyttel study presented evidence that girls are more likely to drop out of school when they are unable to afford menstrual products due to bullying and harassment (Zraick, 2018). Women in schools, prisons, and shelters have reduced control over their lives and ability to obtain necessary resources like pads and tampons. This sales tax makes it even more difficult for these women in vulnerable situations financially and socially (Legislation Clinic, 2018).

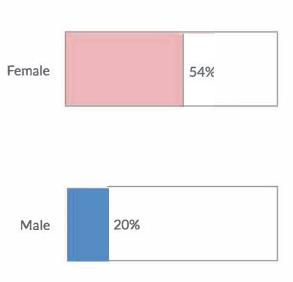
Additionally, stigma and health problems associated with periods can cause serious implications from lack of access to feminine hygiene products. Poor menstrual hygiene is linked to cervical cancer and higher infection rates. Tampons or cups are a necessity for menstruating individuals who wish to swim or participate in sports. Without products, it is nearly impossible for menstruating individuals to work a job, attend school, or be in public at all.

Other Pink-Taxed Goods

06

Transportation

Transportation Transportation is a problem especially in big cities, like New York, where many people rely on the subway as public transportation. This is a non-traditional consumer good, which shows us the breadth of this "tax". "More than half (54%) of female respondents are concerned about being harassed while using public transportation, compared to only 20% of male respondents." Because women feel more unsafe on public transportation than men do, they are more likely to take for-hire vehicles or taxis at night. This increases women's monthly expense on transportation by an extra \$26-\$50, on average, compared to \$0 for men (Kaufman et al.). Over a female adult's life, 18-65 years, this would amount to an additional cost ranging from \$14,664 to \$26,200.



Due to increased difficulties women experience when it comes to transportation, women additionally experience increased difficulties with mental health issues, as well as increased issues with obtaining and maintaining occupational opportunities. These issues exacerbated by transportation difficulties contribute to the deeper institutionalized inequalities that women have suffered from for decades, specifically health deficiencies and occupational discrimination (Nance and Scott-Cruz).

Health Insurance

The Affordable Care Act actually exacerbated the Pink Tax on reproductive care products and services for women, such as increasing the cost for birth control by classifying reproductive care as "pre-existing conditions" (Elliot).

Medicine

Hair loss treatment is 40% more expensive for women even though the products contain the same ingredients. The female version contains a 2% solution to be applied twice a day and the male version contains a 5% solution applied twice a day, so women really should be paying less for this product (Wehner).

Car Insurance

Many people perceive car insurance to be more costly for men, however data suggests that women actually pay more to be insured than men do. This is true of older female drivers who have the same experience and driving records as their male counterparts. There is no way around this for women since insurance is mandatory if you want to drive (Heller).

Alternative Perspective: Consumerism

As this report has established, the pink tax is not only present on female-only products, but the same products used by both men and women will be priced differently based on who it is being marketed towards. It is unethical to increase prices for women, especially since women earn less than their male counterpart and are more likely to be impoverished. **But how much of the difference in spending is the consumers fault rather than the business**?

Is it actually discrimination against women to charge more for the same products?

Let's consider common goods such as razors, shampoo, conditioner, and lotions. Is it truly discrimination against women when these are not products that are different, but are marketed so women choose to buy more expensive, "feminine" looking products?

The issue is consumerism and materialism, not gender inequality

Social norms are being followed by purchasing items targeted directly at women which are not necessities. This is simply good marketing by targeting the insecurity of the buyer in order to charge a higher price, for example with shaving, anti-aging products, and mouth wash. Women have been central to the commoditization of the home since the early 1900s as they were the main connection to the household, therefore the target of advertisements. Women have the option to buy equal products in less feminine packaging, but are conditioned to buy by gender for profit.

Removing gender based pricing all together may cause more issues than it resolves

An overarching ban on gender pricing would affect other markets such as nightlife and wellness. For example "ladies nights" in bars and clubs, includes no covers for women and discounts on holidays. Any gender-based theme that prices women differently whether higher or lower would be eliminated along with its financial benefits. Oftentimes there is no real equivalent for male versus female items, especially in clothing and toys where gender plays a key role in product selection.

Potential Policy Solutions

Repeal taxes that currently apply to feminine hygiene products

Re-classify the products as necessity or medical goods

This would automatically make the products exempt from sales and non-luxury good taxes in states that still tax menstrual products

Important to note that states already give necessity exemptions to much less essential goods - 11 states give necessity tax exemptions to candy and soda

Main benefit:
mitigate all
implications of
the tampon tax

Political feasibility: medium

Relatively very easy
way to address the
problem in terms of
policy
Challenges noted in
origins section to
repealing the tax

Repeal the tampon tax and make pads and tampons available at no cost to individuals who need them

Goes a step further than simply repealing the tax on feminine hygiene products Guaranteed access to hygiene products that women may not have been able to previously routinely afford

Provide an essential medical good to women

Mitigate additional strain on women caused by the wage gap

Main benefit:
ease financial
strain on
women in
poverty

Political feasibility: low

Requires the use of government funds to provide products

Potential Policy Solutions

Repeal the tampon tax and provide reimbursement to women who paid tax on feminine hygiene products within a certain window of time

Proposed in the New York lawsuit, but did not succeed Would have created a fund of \$28 million for women who had to pay taxes on menstrual products within the past two years

Main benefit: Ease financial strain on menstruating individuals by helping replace lost income due to tampon tax

Political feasibility: low

Loses government revenue in two ways: spend money to reimburse past tax and repeal future tax

References

Abdou, D. S. (2019). Gender-Based Price Discrimination: The Cost of Being a Woman. Proceedings of Business and Economic Studies, 2(5). http://ojs.bbwpublisher.com/index.php/PBES/article/view/729

Bennett, J. (2017). The Tampon Tax: Sales Tax, Menstrual Hygiene Products, and Necessity Exemptions. Bus. Entrepreneurship & Tax L. Rev., 1, 183. https://heinonline.org/hol-cgi-bin/get_pdf.cgi?handle=hein.journals/betr1§ion=10

"Civil Rights. Gender Discrimination. California Prohibits Gender-Based Pricing. Cal. Civ. Code § 51.6 (West Supp. 1996)." Harvard Law Review 109, no. 7 (1996): 1839-844. Accessed February 21, 2020. doi:10.2307/1342036.

Crawford, B. J., & Waldman, E. G. (2018). The Unconstitutional Tampon Tax. U. Rich. L. Rev., 53, 439. https://heinonline.org/hol-cgi-bin/get_pdf.cgi?handle=hein.journals/urich53§ion=21

Duesterhaus, Megan, Liz Grauerholz, Rebecca Weichsel, and Nicholas A. Guittar. "The Cost of Doing Femininity: Gendered Disparities in Pricing of Personal Care Products and Services." Gender Issues 28, no. 4 (October 25, 2011): 175–91. https://doi.org/10.1007/s12147-011-9106-3.

Duffin, Karen, and Stacey Vanek Smith. "The Problem With The Pink Tax." Planet Money. November 13, 2018. https://www.npr.org/sections/money/2018/11/13/667539767/the-problem-with-the-pink-tax.

Durkin, A. (2017). Profitable menstruation: How the cost of feminine hygiene products is a battle against reproductive justice. Georgetown Journal of Gender and the Law, 18(1), 131-172. https://heinonline.org/HOL/P?h=hein.journals/grggenl18&i=135

Elliott, Candice. "The Pink Tax: What's the Cost of Being a Female Consumer in 2020?" Listen Money Matters, Listen Money Matters, 25 Jan. 2020, www.listenmoneymatters.com/the-pink-tax/.

Ferrell, O.C., Dimitri Kapelianis, Linda Ferrell, and Lynzie Rowland. "Expectations and Attitudes Toward Gender-Based Price Discrimination." Journal of Business Ethics 152 (August 25, 2016): 1015–32. https://doi.org/https://doi-org.libproxy.lib.unc.edu/10.1007/s10551-016-3300-x.

"From Cradle to Cane: The Cost of Being a Female Consumer A Study of Gender Pricing in New York City." New York City Department of Consumer Affairs, December 18, 2015. https://www1.nyc.gov/assets/dca/downloads/pdf/partners/Study-of-Gender-Pricing-in-NYC.pdf.

Heller, Douglas, Robert Hunter, and Stephen Brobeck. "Most Large Auto Insurers Charge 40 and 60-Year-Old Women Higher Rates Than Men." Consumer Federation of America, October 12, 2017. https://consumerfed.org/press-release/large-auto-insurers-charge-40-60-year-old-women-higher-rates-men-often-100-per-year/.

Jacobsen, Kenneth A. "Rolling Back the 'Pink Tax': Dim Prospects For Eliminating Gender-Based Price Discrimination In the Sale of Consumer Goods and Services." *California Western Law Review* 54, no. 2 (July 30, 2018): 240–66.

Kaufman, Sarah M, Christopher F Polack, and Gloria A Campbell. "The Pink Tax on Transportation." *Rudin Center for Transportation*, November 2018.

Manatis-Lornell, Athena J., Dustin H. Marks, Dina Hagigeorges, Jean-Phillip Okhovat, and Maryanne M. Senna. 2019. "Gender-Related Cost Discrepancies in a Cohort of 110 Facial Moisturizers." Journal of Cosmetic Dermatology 18 (6): 1765.

References

Manzano-Antón, R., Martinez-Navarro, G., & Gavilan-Bouzas, D. (2018). Gender Identity, Consumption and Price Discrimination. Revista Latina de Comunicación Social, (73), 385-400. https://pdfs.semanticscholar.org/4a2c/604e15a97b6061102c64d1269d044e246dda.pdf

Metzinger, J. (2020). *The pink tax: Discrimination or actual differentiation?*. Washington: Newstex. Retrieved from https://search-proquest-com.libproxy.lib.unc.edu/docview/2334320760?accountid=14244

Nance, Michelle E, and Emily Scott-Cruz. "TRANSIT AS A WOMEN'S ISSUE: Why Planners Should Prioritize Women in Planning, Design, and Operation." Carolina Planning Journal, vol. 44, 2019, pp. 42–51., https://centralina.org/wp-content/uploads/2019/05/CPJ-2019- Transit-as-a-Womens-Issue-1.pdf.

Ooi, J. (2018). Bleeding Women Dry: Tampon Taxes and Menstrual Inequity. Nw. UL Rev., 113, 109. https://heinonline.org/hol-cgi-bin/get_pdf.cgi?handle=hein.journals/illlr113§ion=7

Speier, J. (2019, April 3). Text - H.R.2048 - 116th Congress (2019-2020): Pink Tax Repeal Act. Retrieved February 19, 2020, from https://www.congress.gov/bill/116th-congress/house-bill/2048/text

The Legislation Clinic at the University of the District of Columbia David A. Clarke School of Law . (2018). Periods, Poverty, and the Need for Policy. *The Legislation Clinic* . Retrieved from https://cdn.ymaws.com/www.law.udc.edu/resource/resmgr/LegClinic/2018 periods policy report.pdf

The New York City Department of Consumer Affairs. (2015). From Cradle to Cane: The Cost of Being a Female Consumer. Retrieved February 19, 2020, from https://www1.nyc.gov/site/dca/partners/gender-pricing-study.pa

Wehner, Mackenzie R, Kevin T Nead, and Jules B Lipoff. "Association Between Gender and Drug Cost for Over-the-Counter Minoxidil." *JAMA Dermatol*, August 2017;153(8):825--826. doi:10.1001/jamadermatol.2017.1394.

Weiss-Wolf, J. (2017). Periods gone public: taking a stand for menstrual equity. Arcade Publishing.

Winkler, I. T.; Roaf, V. (2014). Taking the bloody linen out of the closet: Menstrual hygiene as priority for achieving gender equality. Cardozo Journal of Law & Gender, 21(1), 1-38. https://heinonline.org/help?h=hein.journals/cardw21&i=1

Yazıcıoğlu, Alara Efsun. 2018. Pink Tax and the Law: Discriminating Against Women Consumers. Boca Raton, FL: Routledge.ge

Yueh, L. Y. (Linda Y.-C. (2018). What would the great economists do? : how twelve brilliant minds would solve today's biggest problems. Picador.

Zraick, Karen. 2018. "It's Not Just the Tampon Tax: Why Periods Are Political." The New York Times, July 22, 2018, sec. Health. https://www.nytimes.com/2018/07/22/health/tampon-tax-periods-menstruation-nyt.html

Zraick, Karen. 2019. "22 States Considered Eliminating the 'Tampon Tax' This Year. Here's What Happened." The New York Times, July 12, 2019, sec. U.S. https://www.nytimes.com/2019/07/12/us/tampon-tax.html.