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SENATE BILL NO. 532

Offered January 13, 2016

Prefiled January 13, 2016

A *BILL to amend the Code of Virginia by adding in Chapter 38 of Title 58.1 an article numbered 7.01, consisting of a section numbered 58.1-3832.1, relating to a local paper and plastic bag tax in certain localities.*

Patrons—Surovell and Ebbin

Referred to Committee on Finance**Be it enacted by the General Assembly of Virginia:**

1. That the Code of Virginia is amended by adding in Chapter 38 of Title 58.1 an article numbered 7.01, consisting of a section numbered 58.1-3832.1, as follows:

*Article 7.01.**Disposable Paper Bag and Plastic Bag Tax.***§ 58.1-3832.1. Paper and plastic bag tax.**

A. Beginning July 1, 2016, localities in Planning District 8 may, by duly adopted ordinance, impose upon every consumer of tangible personal property a tax in the amount of five cents (\$0.05) for each disposable paper bag or disposable plastic bag provided, whether or not provided free of charge, to the consumer by retailers in grocery stores, convenience stores, or drug stores. The tax shall be collected by the retailer, along with the purchase price and all other fees and taxes, at the time the consumer pays for such personal property.

B. The Tax Commissioner shall collect, administer, and enforce this tax in the same manner that he collects, administers, and enforces the retail sales and use tax under Chapter 6 (§ 58.1-600 et seq.), mutatis mutandis. However, the revenues from the tax authorized under this section shall be distributed by the Comptroller to the respective county or city imposing the tax as soon as practicable after the end of each month for which the tax is imposed. All other provisions of Article 10 of Chapter 17 shall apply to the tax authorized under this section, mutatis mutandis. The Tax Commissioner shall develop and make publicly available guidelines implementing the provisions of this article. Such guidelines shall be exempt from the provisions of the Administrative Process Act (§ 2.2-4000 et seq.).

The Department shall enforce the provisions of this article.

C. Each county or city ordinance imposing the tax shall provide for the tax to become effective on the first day of any calendar quarter. The county or city shall, at least six months prior to the date the tax is to become effective, provide a certified copy of such ordinance to the Tax Commissioner.

INTRODUCED

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