

1 H.222

2 Introduced by Representative Zagar of Barnard

3 Referred to Committee on

4 Date:

5 Subject: Taxation; ground water; spring water; extraction

6 Statement of purpose of bill as introduced: This bill proposes to establish a
7 \$0.02 per gallon royalty on all groundwater or spring water withdrawn or
8 extracted for bottling as drinking water. Fifty percent of the collected royalties
9 would be deposited in the Working Lands Enterprise Fund. Fifty percent
10 would be deposited in the Ecosystem Restoration Program fund for use on
11 projects or programs that improve water quality in the State.

12 An act relating to extraction of groundwater and surface water

13 It is hereby enacted by the General Assembly of the State of Vermont:

14 Sec. 1. 32 V.S.A. chapter 216 is added to read:

15 CHAPTER 216. SEVERANCE ROYALTIES

16 § 8751. DEFINITIONS

17 As used in this chapter:

18 (1) “Bottled water system” means a public water system required to be
19 permitted under 10 V.S.A. chapter 56 that withdraws groundwater or extracts
20 water from springs for bottling as drinking water.

1 (2) “Groundwater” shall have the meaning set forth in 10 V.S.A. § 1416.

2 (3) “Spring” shall have the meaning set forth in 10 V.S.A. § 1416.

3 (4) “Spring water” means water from springs.

4 (5) “Well” shall have the meaning set forth in 10 V.S.A. § 1416.

5 (6) “Withdraw” or “withdrawal” shall have the meaning set forth in
6 10 V.S.A. § 1416.

7 § 8752. IMPOSITION OF WATER WITHDRAWAL ROYALTY

8 There is hereby imposed on each bottled water system a royalty of \$0.02 on
9 each gallon of groundwater or spring water withdrawn or extracted in the State.

10 § 8753. PAYMENT

11 Each person subject to the requirements of this subchapter shall prepare and
12 submit to the Department of Taxes a monthly report according to procedures
13 established by the Commissioner of Taxes showing the total gallons of
14 groundwater withdrawn or spring water extracted during the preceding month
15 and other information the Commissioner may require. The water withdrawal
16 royalty shall be paid each month to the Department at the same time the report
17 is submitted.

18 § 8754. RECORDS

19 Each person subject to the requirements of this subchapter shall keep a
20 record of all groundwater withdrawn or spring water extracted in this State.

1 and that record shall be open at all times to inspection by the Commissioner
2 of Taxes.

3 § 8755. ENFORCEMENT

4 The water withdrawal royalty imposed under this chapter shall be enforced
5 using the enforcement and collection provisions set forth in chapter 103 of
6 this title.

7 § 8756. USE OF ROYALTY

8 The Commissioner of Taxes shall deposit:

9 (1) 50 percent of the water withdrawal royalty collected under this
10 chapter in the Working Lands Enterprise Fund established under 6 V.S.A.
11 § 4605 for the uses authorized under that Fund; and

12 (2) 50 percent of the water withdrawal royalty in the Ecosystem
13 Restoration Program fund at the Agency of Natural Resources for programs
14 and projects intended to improve the quality of waters in the State.

15 Sec. 2. EFFECTIVE DATE

16 This act shall take effect on July 1, 2015.