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H.407

Introduced by Representatives Sharpe of Bristol, Browning of Arlington,
Cheney of Norwich, Clarkson of Woodstock, Edwards of
Brattleboro, Masland of Thetford and Spengler of Colchester

Referred to Committee on

Date:

Subject: Taxation; groundwater extraction

Statement of purpose: This bill proposes to impose a groundwater withdrawal
royalty on the extraction of groundwater for resale.

An act relating to imposing a royalty for the extraction of groundwater for
commercial resale

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

Sec. 1. 32 V.S.A. chapter 215 is added to read:

CHAPTER 215. SEVERANCE ROYALTIES

§ 8701. DEFINITIONS

As used in this chapter:

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

(2) “Manufacturer” means any processor, bottler, or other person who
withdraws groundwater in the state of Vermont for the purpose of selling or
reselling the groundwater for consumption by human beings.

1 (3) "Spring" shall have the meaning set forth in 10 V.S.A. § 1416.

2 (4) "Well" shall have the meaning set forth in 10 V.S.A. § 1416.

3 (5) "Withdraw" or "withdrawal" shall have the meaning set forth in
4 10 V.S.A. § 1416.

5 § 8702. IMPOSITION OF GROUNDWATER WITHDRAWAL ROYALTY

6 There is hereby imposed on each manufacturer a groundwater withdrawal
7 royalty of \$0.28 per gallon of groundwater withdrawn from a well or a spring
8 within the state of Vermont for the purpose of sale or the purpose of sale to
9 another for resale.

10 § 8703. PAYMENT

11 Each manufacturer shall prepare and submit to the department a monthly
12 report according to procedures established by the commissioner showing the
13 total gallons of groundwater withdrawn during the preceding month and other
14 information the commissioner may require. The groundwater withdrawal
15 royalty shall be paid each month to the department at the same time the report
16 is submitted.

17 § 8704. RECORDS

18 Each manufacturer shall keep a record of all groundwater withdrawn in this
19 state, and that record must be open at all times to inspection by the
20 commissioner of taxes.

1 § 8705. ENFORCEMENT

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

5 Sec. 2. EFFECTIVE DATE

6 This act shall take effect on January 1, 2012.