

1 H.542

2 Introduced by Committee on Agriculture and Forest Products

3 Date:

4 Subject: Taxation; agriculture; sales and use tax; exemption

5 Statement of purpose of bill as introduced: This bill proposes to exempt the  
6 sale of soil amendments, including compost, from the sales and use tax.

7 An act relating to the taxation of soil amendments

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

9 Sec. 1. 32 V.S.A. § 9701(48)–(50) are added to read:

10 (48) Compost: means a stable humus-like material produced by the  
11 controlled biological decomposition of organic matter through active  
12 management, but does not mean sewage, septage, or materials derived from  
13 sewage or septage.

14 (49) Manipulated animal manure: means manure that is ground,  
15 pelletized, mechanically dried, or consists of separated solids.

16 (50)(A) Soil amendment: means any substance, including compost or  
17 manipulated animal manure, which is intended to improve the physical,  
18 chemical, or other characteristics of the soil, horticultural growing media, or  
19 any natural or synthetic substance applied to plants or seeds that is intended to:  
20 improve crop production, germination, growth, yield, water retention, product

1 quality, reproduction, flavor, or other desirable characteristics of plants;  
2 provide water filtration; or provide sediment and erosion control.

3 (B) "Soil amendment" does not mean commercial fertilizers,  
4 agricultural liming material, agricultural gypsum, unmanipulated animal  
5 manure, or pesticides.

6 Sec. 2. 32 V.S.A. § 9741 is amended to read:

7 § 9741. SALES NOT COVERED

8 Retail sales and use of the following shall be exempt from the tax on retail  
9 sales imposed under section 9771 of this title and the use tax imposed under  
10 section 9773 of this title.

11 \* \* \*

12 (49) Sales of soil amendments.

13 Sec. 3. EFFECTIVE DATE

14 This act shall take effect on July 1, 2014.