

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Agriculture and Forest Products to which was referred
3 House Bill No. 542 entitled “An act relating to the taxation of soil
4 amendments” respectfully reports that it has considered the same and
5 recommends that the bill be amended by striking all after the enacting clause
6 and inserting in lieu thereof the following:

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

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

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

14 (50) Perlite: means a lightweight granular material made of volcanic
15 material expanded by heat treatment for use in growing media.

16 (51) Planting mix: means material that is:

17 (A) used in the production of plants; and

18 (B) made substantially from compost, peat moss, or coir and other
19 ingredients that contribute to fertility and porosity, including perlite,
20 vermiculite, and other similar materials.

1 (49) Sales of compost, animal manure, manipulated animal manure, and
2 potting soil.

3 Sec. 3. APPLICATION OF SALES TAX; COMPOST

4 Notwithstanding the imposition under 32 V.S.A. § 9771 of the sales and use
5 tax on the sale of composting for farming, the Department of Taxes shall not
6 impose or collect the sales and use tax on the sale of compost for farming that
7 occurred between January 1, 2012 and July 1, 2014, and taxes paid on such
8 charges shall be refunded upon request if made within the statute of limitations
9 and documented to the satisfaction of the Commissioner of Taxes. As used in
10 this section, “compost” shall have the same meaning as defined in 10 V.S.A.
11 § 1266b(1) and “farming” shall have the same meaning as defined in 10 V.S.A.
12 § 6001(22).

13 Sec. 4. EFFECTIVE DATE

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

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17 (Committee vote: _____)

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Representative [surname]

FOR THE COMMITTEE