

1 H.332

2 Introduced by Representatives McCullough of Williston and Macaig of

3 Williston

4 Referred to Committee on

5 Date:

6 Subject: Taxation; sales tax; exemptions

7 Statement of purpose of bill as introduced: This bill proposes to exempt paper
8 hygienic products, including tissue paper, toilet paper, and diapers from the
9 sales and use tax. This bill further proposes to impose a \$5.00 occupancy
10 surcharge, 80 percent of which would go to the Clean Water Fund, and the
11 remaining revenue would go to the General Fund and Education Fund to
12 replace the revenue from the sales tax exemption.

13 An act relating to exempting paper hygienic products from the sales and
14 use tax and establishing an occupancy surcharge

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

16 Sec. 1. 32 V.S.A. § 9741 is amended to read:

17 § 9741. SALES NOT COVERED

18 Retail sales and use of the following shall be exempt from the tax on retail
19 sales imposed under section 9771 of this title and the use tax imposed under
20 section 9773 of this title.

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(51) Paper hygienic products, including tissue paper, toilet paper, and both child and adult diapers.

Sec. 2. 32 V.S.A. § 9241 is amended to read:

§ 9241. IMPOSITION OF TAX

(a) An operator shall collect a tax of nine percent of the rent of each occupancy plus a \$5.00 surcharge for each night of the occupancy.

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Sec. 3. 32 V.S.A. § 9241a is added to read:

§ 9241a. OCCUPANCY SURCHARGE FUNDING

Notwithstanding any other provision of law, 80 percent of the receipts from the occupancy surcharge imposed by section 9241 of this title shall be allocated to the Clean Water Fund, with 13 percent to be allocated to the General Fund, and seven percent to be allocated to the Education Fund.

Sec. 4. 10 V.S.A. § 1388 is amended to read:

§ 1388. CLEAN WATER FUND

(a) There is created a special fund to be known as the “Clean Water Fund” to be administered by the Secretary of Administration. The Fund shall consist of:

