

1 S.54

2 Introduced by Senator Perchlik

3 Referred to Committee on

4 Date:

5 Subject: Taxation; sales tax; exemption; candy

6 Statement of purpose of bill as introduced: This bill proposes to extend the  
7 Vermont Sales and Use Tax to the sale of candy and dedicate the revenue from  
8 those sales to support the Child Care Financial Assistance Program.

9 An act relating to the imposition of sales tax on candy to fund child care  
10 assistance

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

12 Sec. 1. 32 V.S.A. § 9701 is amended to read:

13 § 9701. DEFINITIONS

14 ~~Unless the context in which they occur requires otherwise, the following~~  
15 ~~terms when used in this chapter mean~~ As used in this chapter:

16 \* \* \*

17 (31) “Food and food ingredients” means substances, whether in liquid,  
18 concentrated, solid, frozen, dried, or dehydrated form, that are sold for  
19 ingestion or chewing by humans and are consumed for their taste or nutritional

1 value. “Food and food ingredients” does not include alcoholic beverages,  
2 tobacco, candy, or soft drinks.

3 \* \* \*

4 (60) “Candy” means a preparation of sugar, honey, or other natural or  
5 artificial sweeteners in combination with chocolate, fruits, nuts, or other  
6 ingredients or flavorings in the form of bars, drops, or pieces. “Candy” shall  
7 not include any preparation containing flour and shall require no refrigeration.

8 Sec. 2. 32 V.S.A. § 9701(31) is amended to read:

9 (31) “Food and food ingredients” means substances, whether in liquid,  
10 concentrated, solid, frozen, dried, or dehydrated form, that are sold for  
11 ingestion or chewing by humans and are consumed for their taste or nutritional  
12 value. “Food and food ingredients” does not include alcoholic beverages,  
13 tobacco, cannabis and cannabis products as defined under 7 V.S.A. § 831,  
14 candy, or soft drinks.

15 Sec. 3. 16 V.S.A. § 4025(b)(6) is added to read:

16 (6) To provide appropriations in support of the Child Care Financial  
17 Assistance Program created under 33 V.S.A. chapter 35, subchapter 2.

18 Sec. 4. INTENT

19 It is the intent of the General Assembly that the amount of revenue raised  
20 by eliminating the sales and use tax exemption for candy be appropriated each

1 year to support the Child Care Financial Assistance Program, in addition to any  
2 other appropriations from any other source.

3 Sec. 5. EFFECTIVE DATES

4 This act shall take effect on July 1, 2021 except that Sec. 2 (sales tax  
5 definition) shall take effect on March 1, 2022.