

**EXECUTIVE AGENCY  
FISCAL NOTE**

AGENCY'S ESTIMATES

Date Prepared: April 5, 2017

Agency Submitting: Department of Taxation

<b>Items of Revenue or Expense, or Both</b>	<b>Fiscal Year 2016-17</b>	<b>Fiscal Year 2017-18</b>	<b>Fiscal Year 2018-19</b>	<b>Effect on Future Biennia</b>
Personnel Services (Expense)		\$27,753		
Lockbox (Expense)		\$6,655	\$6,415	\$12,830
Information Technology (Expense)		\$256,000		
Total	0	\$290,408	\$6,415	\$12,830

Explanation

(Use Additional Sheets of Attachments, if required)

Please see attached

Name Deonne Contine

Title Executive Director

**GOVERNOR'S OFFICE OF FINANCE COMMENTS**

Date Friday, March 31, 2017

The agency's response appears reasonable.

Name Susan Brown

Title Executive Budget Officer

## DESCRIPTION OF FISCAL EFFECT

BDR/Bill/Amendment Number: 40-958

Name of Agency: Department of Taxation

Division/Department: \_\_\_\_\_

Date: March 29, 2017

This bill creates the Plastic Bag Environmental Cleanup Fund. It requires a retailer to collect a 10 cent fee per plastic bag from a customer, effective July 1, 2017 through December 31, 2021. The fees may be remitted with the Sales/Use Tax return to the Department of Taxation. The Department will distribute the money to the Division of Environmental Protection for deposit into the Plastic Bag Environmental Cleanup Fund. Effective January 1, 2022 this bill imposes a ban on the distribution of plastic bags. Should the ban be violated, a fine is imposed. This fine is collected by the Department of Taxation for distribution to the State General Fund.

### Revenue:

The impact on revenue cannot be determined

### Expense:

In order to administer the collection of the fees the Department would be required to make modifications to the Sales and Use Tax Returns as well as programing changes to the Unified Tax System. The fiscal impact is as follows.

FY 2018: \$290,408

FY 2019: \$6,415

Future Biennia: \$12,830