



# Albemarle County

## Legislation Text

---

**File #:** 22-259, **Version:** 1

---

**AGENDA DATE:** 4/20/2022

**TITLE:**

Public Hearing to Consider the Adoption of an Ordinance to Impose a Disposable Plastic Bag Tax

**SUBJECT/PROPOSAL/REQUEST:** Public hearing to consider the adoption of an ordinance to amend County Code Chapter 15, Taxation, to impose a disposable plastic bag tax

**ITEM TYPE:** Regular Action Item

**STAFF CONTACT(S):** Richardson, Hudson , Bessette, Birch, Sumner, Lin

**PRESENTER (S):** Nelsie Birch

**LEGAL REVIEW:** Yes

**REVIEWED BY:** Jeffrey B. Richardson

**BACKGROUND:** During the 2020 General Assembly session, Virginia counties received enabling authority to increase the taxation amount on several taxing vehicles, including the ability to impose a disposable plastic bag tax. The legislation allows counties to impose a five cent per bag tax on disposable plastic bags provided by certain retailers with certain stipulations on the use of the associated revenues. Revenues from this tax must be used for programs supporting environmental cleanup, litter and pollution mitigation, or environmental education efforts, or to provide reusable bags to SNAP or WIC benefit recipients.

**STRATEGIC PLAN:** Mission - To enhance the well-being and quality of life for all community members through the provision of the highest level of public service consistent with the prudent use of public funds.

**DISCUSSION:** Virginia Code § 58.1-17.45 through 58.1-1748 grants localities the authority to impose a five cent per bag tax on disposable plastic bags provided by grocery stores, convenience stores, or pharmacies. The attached proposed Ordinance (Attachment A) would amend County Code Chapter 15, Taxation, by adding Article 8.1 to impose the enabled plastic bag tax. Durable plastic bags designed for repeated use and plastic bags used solely to wrap, contain, or package certain goods to prevent damage or contamination are exempt from this tax. This exclusion would include packaging for ice cream, meat, fish, poultry, produce, unwrapped bulk food items, perishable food items, dry cleaning, prescription drugs, and multiple bags sold in containers for use as garbage, pet waste, or leaf removal bags. Revenues from such tax shall be used for programs supporting environmental cleanup, litter and pollution mitigation, environmental education efforts or to provide reusable bags to SNAP or WIC benefit recipients

Collection of the plastic bag tax would be performed by the State Department of Taxation. State Code requires localities to provide a certified copy of the ordinance to the Tax Commissioner of the Commonwealth at least three months prior to the date the ordinance becomes effective. The effective date for the disposable plastic bag tax will be January 1, 2023.

The proposed ordinance (Attachment A) will be presented to the Board for adoption on May 4, 2022 as part of the FY 23 budget-related ordinances.

**BUDGET IMPACT:** Imposing the disposable plastic bag tax would increase revenues. However, these revenues would be dedicated sources for qualifying expenditures. For FY 23, the budgetary impact of this tax is estimated to be \$20,000 and is incorporated into the FY 23 proposed budget.

**RECOMMENDATION:**

Staff recommends that the Board hold a public hearing on the attached proposed ordinance (Attachment A), which will be presented to the Board for adoption on May 4, 2022.

**ATTACHMENTS:**

A - Disposable plastic bag tax proposed ordinances