

WEST VIRGINIA LEGISLATURE

2017 REGULAR SESSION

Introduced

House Bill 3046

**FISCAL
NOTE**

BY DELEGATE ROWE

[Introduced March 14, 2017; Referred
to the Committee on Finance.]

1 A BILL to amend and reenact §11-19-2 of the Code of West Virginia, 1931, as amended, relating
 2 to imposing an additional excise tax on soft drinks; and dedicating the revenues from the
 3 additional tax to the General Revenue Fund.

Be it enacted by the Legislature of West Virginia:

1 That §11-19-2 of the Code of West Virginia, 1931, as amended, be amended and
 2 reenacted to read as follows:

ARTICLE 19. SOFT DRINKS TAX.

§11-19-2. Excise tax on bottled soft drinks, syrups and dry mixtures; disposition thereof.

1 (a) For the purpose of providing revenue for the construction, maintenance and operation
 2 of a four-year school of medicine, dentistry and nursing of West Virginia University, an excise tax
 3 is hereby levied and imposed on and after midnight of June 30, 1951, upon the sale, use, handling
 4 or distribution of all bottled soft drinks and all soft drink syrups, whether manufactured within or
 5 without this state, as follows:

6 (1) On each bottled soft drink, a tax of 1¢ on each sixteen and nine-tenths fluid ounces, or
 7 fraction thereof, or on each one-half liter, or fraction thereof contained therein.

8 (2) On each gallon of soft drink syrup, a tax of 80¢, and in like ratio on each part gallon
 9 thereof, or on each four liters of soft drink syrup a tax of 84¢, and in like ratio on each part four
 10 liters thereof.

11 (3) On each ounce by weight of dry mixture or fraction thereof used for making soft drinks,
 12 a tax of 1¢ or on each 28.35 grams, or fraction thereof, a tax of 1¢.

13 (b) Any person manufacturing or producing within this state any bottled soft drink or soft
 14 drink syrup for sale within this state and any distributor, wholesale dealer or retail dealer or any
 15 other person who is the original consignee of any bottled soft drink or soft drink syrup
 16 manufactured or produced outside this state, or who brings such drinks or syrups into this state,
 17 shall be liable for the excise tax hereby imposed. The excise tax hereby imposed shall not be
 18 collected more than once in respect to any bottled soft drink or soft drink syrup manufactured,

19 sold, used or distributed in this state.

20 (c) All revenue collected by the commissioner under the provisions of this article, less such
21 costs of administration as are hereinafter provided for, shall be paid by him or her into a special
22 medical school fund, which is hereby created in the State Treasury, to be used solely for the
23 construction, maintenance and operation of a four-year school of medicine, dentistry and nursing,
24 as otherwise provided by law.

25 (d)(1) Effective July 1, 2017, an additional excise tax is levied and imposed upon the sale,
26 use, handling or distribution of all bottled soft drinks and all soft drink syrups, whether
27 manufactured within or without this state, as follows:

28 (A) On each bottled soft drink, a tax of 2¢ on each sixteen and nine-tenths fluid ounces,
29 or fraction thereof, or on each one-half liter, or fraction thereof contained therein.

30 (B) On each gallon of soft drink syrup, a tax of \$1.60 and in like ratio on each part gallon
31 thereof, or on each four liters of soft drink syrup a tax of \$1.68 and in like ratio on each part four
32 liters thereof.

33 (C) On each ounce by weight of dry mixture or fraction thereof used for making soft drinks,
34 a tax of 2¢ or on each 28.35 grams, or fraction thereof, a tax of 2¢.

35 (2) Notwithstanding the provision of subsection (c) of this section and any other provision
36 of this code to the contrary, the additional revenue collected pursuant to this subsection shall be
37 deposited in the state's General Revenue Fund.

NOTE: The purpose of this bill is to impose an additional excise tax on soft drinks. The bill dedicates the revenues from the additional tax to the General Revenue Fund.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.