

## Impose bottled water tax of 1 cent per ounce

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**Description** This proposal would establish a new tax of one cent per ounce on the privilege of selling bottled water at retail.

- This tax would be in addition to the B&O tax.
- Any tax passed on to the customer as a separate charge would be considered part of the business' gross receipts subject to the retailing B&O tax.

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**Current Law** Under current law, there is no stand-alone tax on the privilege of making retail sales of bottled water.

Persons selling bottled water at retail are subject to retailing B&O tax on the gross proceeds of bottled water sales. The tax rate is 0.471%.

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**Revenue Impact** General Fund Impact (\$ in millions):

Fiscal Year 2012	Fiscal Year 2013	2011-2013 Biennium
\$0	\$137.3	\$137.3

*Notes:*

- *Estimates include bulk sales.*
  - *Estimates assume a July 1, 2012, effective date, representing 11 months of collections for FY 2013.*
  - *Estimates reflect the September 2011 Economic & Revenue Forecast Council revenue forecast.*
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**Expenditure Impact**

Fiscal Year 2012	Fiscal Year 2013	2011-2013 Biennium
\$23,000	\$134,700	\$157,700

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