

HOUSE BILL 83

M3

5lr1637

(PRE-FILED)

By: **Delegate Boyce**

Requested: November 1, 2024

Introduced and read first time: January 8, 2025

Assigned to: Environment and Transportation

A BILL ENTITLED

1 AN ACT concerning

2 **Environment – Tire Recycling Fee – Alterations**

3 FOR the purpose of requiring the Department of the Environment, instead of the Board of
4 Public Works, to establish a tire recycling fee to be imposed on the first sale of a new
5 tire in the State by a tire dealer; requiring the Department to set the tire recycling
6 fee at a certain amount beginning on a certain date; authorizing the Department to
7 adjust the tire recycling fee for inflation at certain time intervals; prohibiting the tire
8 recycling fee from exceeding a certain amount; and generally relating to the tire
9 recycling fee.

10 BY repealing and reenacting, with amendments,
11 Article – Environment
12 Section 9–228(g) and 9–274
13 Annotated Code of Maryland
14 (2014 Replacement Volume and 2024 Supplement)

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
16 That the Laws of Maryland read as follows:

17 **Article – Environment**

18 9–228.

19 (g) (1) (i) [Beginning on February 1, 1992,] **THE DEPARTMENT SHALL**
20 **ESTABLISH** a tire recycling fee [shall] **TO** be imposed on the first sale of a new tire in the
21 State by a tire dealer, including new tires sold as part of a new or used vehicle, trailer, farm
22 implement, or other similar machinery.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (ii) A county, municipal corporation, or any agency of a county or
2 municipal corporation may not impose any tax, fee, or other charge on the first sale of a
3 new tire by a tire dealer.

4 (2) The tire recycling fee:

5 (I) **SHALL BE SET AT \$1 PER TIRE BEGINNING JANUARY 1,**
6 **2026;**

7 (II) **SUBJECT TO ITEM (III) OF THIS PARAGRAPH, MAY BE**
8 **ADJUSTED FOR INFLATION EVERY 2 FISCAL YEARS BASED ON THE CONSUMER**
9 **PRICE INDEX, AS DETERMINED BY THE DEPARTMENT; AND**

10 ~~(i)~~ (III) May not exceed ~~[\$1.00]~~ **\$2** per tire[; and

11 (ii) Shall be established by the Board of Public Works].

12 (3) For a sale made by a tire dealer to a person who resells tires, the tire
13 dealer shall separately state its recycling fees paid by the tire dealer on the invoice or other
14 document of sale.

15 (4) (i) Each tire dealer shall:

16 1. Pay the tire recycling fee; and

17 2. Complete and submit, under oath, a return and remit the
18 fees to the Comptroller of the Treasury on or before the 21st day of the month that follows
19 the month in which the sale was made, and for other periods and on other dates that the
20 Comptroller specifies by regulation, including periods for which no fees were due.

21 (ii) For periods beginning after December 31, 2026, a person shall
22 file a tire recycling fee return electronically.

23 (5) A tire dealer who timely files a tire recycling fee return and pays the
24 tire recycling fees due is allowed, for the expense of administering and paying the fee, a
25 credit equal to 0.6% of the gross amount of tire recycling fees that the tire dealer is to pay
26 to the Comptroller.

27 (6) If the amount of the tire recycling fee is separately stated in a retail
28 sale, the tire recycling fee is not subject to any tax under Title 11 of the Tax – General
29 Article or Title 13 of the Transportation Article.

30 (7) At the end of each quarter, the Comptroller shall forward all tire
31 recycling fees to the Used Tire Cleanup and Recycling Fund, less the costs of
32 administration.

1 (8) Except to the extent they are inconsistent with this subsection, the
2 provisions of Title 13 of the Tax – General Article applicable to the sales and use tax shall
3 govern the administration, collection, and enforcement of the tire recycling fee under this
4 subsection.

5 (9) The Comptroller:

6 (i) Shall administer the tire recycling fee; and

7 (ii) May adopt any regulations that are necessary or appropriate to
8 administer, collect, and enforce the tire recycling fee.

9 9–274.

10 (a) The State Used Tire Cleanup and Recycling Fund shall consist of moneys
11 made available under:

12 (1) Loan authorizations;

13 (2) Funds appropriated in the State budget;

14 (3) Fees collected for the sale of tires by retail dealers under § 9–228(g) of
15 this subtitle; or

16 (4) Bond and security forfeitures collected under § 9–228(k) of this subtitle.

17 (b) (1) The Fund is limited to a maximum of \$10,000,000.

18 (2) If the sum of unallocated funds in the Fund and the projected fees for
19 the next fiscal year exceeds \$10,000,000, the **[Board of Public Works] DEPARTMENT** shall
20 adjust the fees for the next fiscal year on a pro rata basis so that the sum of unallocated
21 and actual fees does not exceed \$10,000,000.

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
23 1, 2025.