

HOUSE BILL 1056

L2

5lr2980

By: **Delegate Conaway**

Introduced and read first time: February 5, 2025

Assigned to: Environment and Transportation and Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Local Government – Excise Tax on Plastic and Paper Carryout Bags**

3 FOR the purpose of requiring a county to impose an excise tax on the amount of a fee
4 charged by a retailer to a customer for a plastic or paper carryout bag that exceeds
5 the amount required by local law; providing for the allocation of the excise tax
6 revenue between the county and the State; and generally relating to an excise tax on
7 certain fees for plastic and paper carryout bags.

8 BY adding to

9 Article – Local Government

10 Section 20–610

11 Annotated Code of Maryland

12 (2013 Volume and 2024 Supplement)

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

15 **Article – Local Government**

16 **20–610.**

17 **(A) IN THIS SECTION, “RETAILER” MEANS A PERSON ENGAGED IN THE**
18 **RETAIL SALE OF GOODS.**

19 **(B) SUBJECT TO SUBSECTION (C) OF THIS SECTION, IF A COUNTY ENACTS A**
20 **LOCAL LAW THAT REQUIRES A RETAILER TO CHARGE AT THE POINT OF SALE A FEE**
21 **FOR PROVIDING A PLASTIC OR PAPER CARRYOUT BAG TO A CUSTOMER, THE COUNTY**
22 **SHALL IMPOSE AN EXCISE TAX ON ANY AMOUNT OF THE FEE THAT THE RETAILER**
23 **CHARGES THAT IS IN EXCESS OF THE MINIMUM AMOUNT REQUIRED BY THE LOCAL**
24 **LAW.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(C) (1) THE AMOUNT OF THE EXCISE TAX IMPOSED BY THE COUNTY**
2 **SHALL BE ON EACH CENT THAT THE RETAILER CHARGES IN EXCESS OF THE**
3 **MINIMUM AMOUNT REQUIRED BY LOCAL LAW AS FOLLOWS:**

4 **(I) FOR THE COUNTY WHERE THE RETAILER IS LOCATED,**
5 **ONE-THIRD OF EACH CENT; AND**

6 **(II) FOR THE STATE, ONE-THIRD OF EACH CENT.**

7 **(2) THE COUNTY SHALL:**

8 **(I) RETAIN THE EXCISE TAX REVENUE COLLECTED UNDER**
9 **PARAGRAPH (1)(I) OF THIS SUBSECTION; AND**

10 **(II) REMIT THE EXCISE TAX REVENUE COLLECTED UNDER**
11 **PARAGRAPH (1)(II) OF THIS SUBSECTION TO THE COMPTROLLER TO BE CREDITED**
12 **TO THE GENERAL FUND OF THE STATE.**

13 **(3) THE RETAILER MAY RETAIN THE REMAINING ONE-THIRD OF EACH**
14 **CENT CHARGED IN EXCESS OF THE MINIMUM AMOUNT REQUIRED BY LOCAL LAW TO**
15 **COVER ADMINISTRATIVE COSTS FOR COLLECTING AND REMITTING THE TAX UNDER**
16 **THIS SECTION.**

17 **(D) A COUNTY SHALL ADMINISTER AND COLLECT THE TAX UNDER THIS**
18 **SECTION IN CONJUNCTION WITH THE FEE ON PLASTIC OR PAPER CARRYOUT BAGS**
19 **REQUIRED BY LOCAL LAW.**

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
21 1, 2025.