

Ruling 95-12

Vermont Department of Taxes

Date: August 5, 1995

Written By: George H. Phillips, Assistant Director

Approved By: Betsy Anderson, Commissioner of Taxes

You have requested a ruling as to whether the solid waste franchise tax is imposed on waste shipped to the [Company] (Co.) facility in [Town], [State]. This ruling relies on information provided in your letter of July 26, 1995 to [Name].

Facts: [Co.] operates a waste-to-energy facility in the village of [Town] [State]. Construction on the incinerator began in 1986. [Co.] receives municipal solid waste originating in [State], either from [State] transfer stations or directly from commercial haulers picking up in [State].

Analysis: The solid waste franchise tax is imposed on disposal facilities in [State], on [State] transfer stations to the extent that they receive waste for shipment to disposal facilities outside [State], and on other persons to the extent they ship waste to disposal facilities outside of the state which was not first delivered to a transfer station. The tax is measured on the volume or weight of the refuse. 32 VSA 5952(a).

Section 5953 lists as exemptions types of waste which are not included in the calculation of the tax. One exemption is "wastes delivered to a treatment or incineration facility for treatment, provided that construction of the incineration facility commenced before January 1, 1987..." 32 VSA 5953(3).

Conclusion: A [State] landfill or commercial hauler shipping waste to the [Co.] facility would not be required to pay solid waste franchise tax on that waste because it would have been delivered to an incineration facility for which construction commenced before January 1, 1987.

This ruling is issued solely to your firm and is limited to the facts presented as affected by current statutes and regulations. Other taxpayers may refer to this ruling to determine the Department's general approach, but the Department will not be bound by this ruling in the case of any other taxpayer or in the case of any change in relevant statutes or regulations.