

HOUSE BILL No. 1505

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-2.5-14.

Synopsis: Payment for recycling plastic bottles. Provides that a person may present an empty returnable plastic bottle to any retail merchant for a five cent redemption. Requires a retail merchant to recycle any empty returnable plastic bottles for which the retail merchant pays a redemption. Makes an appropriation to pay refund claims to retail merchants for credits accrued in paying redemptions for empty returnable plastic bottles.

Effective: January 1, 2012.

Goodin

January 20, 2011, read first time and referred to Committee on Environmental Affairs.

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First Regular Session 117th General Assembly (2011)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2010 Regular Session of the General Assembly.

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HOUSE BILL No. 1505



A BILL FOR AN ACT to amend the Indiana Code concerning taxation and to make an appropriation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-2.5-14 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
3 JANUARY 1, 2012]:

4 **Chapter 14. Recycling of Returnable Plastic Bottles**

5 **Sec. 1. As used in this chapter, "empty returnable plastic bottle"**
6 **means a returnable plastic bottle that contains nothing more than**
7 **the residue of its original contents.**

8 **Sec. 2. As used in this chapter, "fund" refers to the returnable**
9 **plastic bottle redemption fund established by section 8 of this**
10 **chapter.**

11 **Sec. 3. As used in this chapter, "recycler" means a person**
12 **engaged in the business of recycling empty returnable plastic**
13 **bottles.**

14 **Sec. 4. As used in this chapter, "returnable plastic bottle" means**
15 **a plastic bottle used by a manufacturer as a container for any of**
16 **the following:**

- 17 (1) **Alcoholic beverages.**



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- (2) Dietary supplements.
- (3) Food and food ingredients.
- (4) Nonalcoholic beverages other than soft drinks.
- (5) Soft drinks.

Sec. 5. Each returnable plastic bottle sold or offered for sale by a retail merchant in Indiana must clearly indicate by embossing or by a stamp, label, or other method securely affixed to the returnable plastic bottle the redemption value of the returnable plastic bottle and the name of the state of Indiana.

Sec. 6. (a) The redemption value of an empty returnable plastic bottle is five cents (\$0.05).

(b) A retail merchant shall accept an empty returnable plastic bottle presented for redemption by any person and pay to that person its full redemption value.

Sec. 7. (a) A retail merchant shall recycle empty returnable plastic bottles collected by the retail merchant under this chapter.

(b) A retail merchant may use any of the following methods to satisfy the retail merchant's duty to recycle empty returnable plastic bottles under subsection (a):

- (1) The retail merchant may itself deliver the empty returnable plastic bottles collected by the retail merchant under this chapter to the premises of a recycler under an arrangement to have the empty returnable plastic bottles recycled.**
- (2) A recycler may pick up the empty returnable plastic bottles collected by the retail merchant under this chapter at the retail merchant's premises under an arrangement to have the empty returnable plastic bottles recycled.**
- (3) The retail merchant may hire a person to pick up the empty returnable plastic bottles collected by the retail merchant under this chapter and deliver the empty returnable plastic bottles to a recycler under an arrangement to have the empty returnable plastic bottles recycled.**
- (4) The retail merchant may itself perform the recycling operation.**

(c) A retail merchant who knowingly removes, or causes to be removed, an empty returnable plastic bottle collected under this chapter from the retail merchant's premises in a manner other than a method described in subsection (b) commits a Class C infraction for each empty returnable plastic bottle that the retail merchant improperly removes or causes to be removed from the retail merchant's premises.

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1 (d) A recycler that:
 2 (1) receives empty returnable plastic bottles from a retail
 3 merchant under an arrangement to have the empty
 4 returnable plastic bottles recycled; and
 5 (2) knowingly disposes of the empty returnable plastic bottles
 6 in a manner other than recycling;
 7 commits a Class C infraction for each empty returnable plastic
 8 bottle the recycler improperly disposes of.

9 (e) A person who:
 10 (1) is hired to transport empty returnable plastic bottles from
 11 the premises of a retail merchant to a recycler; and
 12 (2) without good cause, knowingly fails to deliver the empty
 13 returnable plastic bottles to the recycler;
 14 commits a Class C infraction for each empty returnable plastic
 15 bottle removed from the premises of the retail merchant and not
 16 delivered to the recycler.

17 Sec. 8. (a) The returnable plastic bottle redemption fund is
 18 established as a dedicated fund to pay refund claims by retail
 19 merchants for redemptions made under this chapter.

20 (b) The fund shall be administered by the treasurer of state. Any
 21 expenses incurred in administering the fund shall be paid from the
 22 fund. The treasurer of state shall invest the money in the fund not
 23 currently needed to meet the obligations of the fund in the same
 24 manner as other public money may be invested.

25 (c) Interest earned on money in the fund shall be credited to the
 26 fund.

27 (d) Refunds claimed for credits allowed under this chapter shall
 28 be paid from the fund.

29 (e) There is annually appropriated to the treasurer of state an
 30 amount sufficient to pay refund claims by retail merchants for
 31 redemptions made under this chapter from the state general fund
 32 for the treasurer of state's use in paying refund claims.

33 Sec. 9. At the time a retail merchant files a return under
 34 IC 6-2.5-6-1, the retail merchant shall report the amount of
 35 redemptions made by the merchant under this chapter for the
 36 applicable period.

37 Sec. 10. (a) For any period, a retail merchant is entitled to a
 38 credit against the retail merchant's state gross retail and use tax
 39 liability for the amount of redemptions made by the merchant
 40 under this chapter during the period.

41 (b) If the credit allowed by subsection (a) exceeds the amount of
 42 the retail merchant's state gross retail and use tax liability for the

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1 period, the retail merchant may carry the credit allowed by
2 subsection (a) forward for not more than three (3) years or until
3 the credit allowed by subsection (a) is completely depleted,
4 whichever occurs first.
5 (c) A retail merchant may claim a refund in accordance with the
6 procedure described in IC 6-8.1-9 for the remainder of any credit
7 to which the retail merchant is entitled under subsection (a),
8 reduced by any part of the credit applied against the retail
9 merchant's state gross retail and use tax liability under subsection
10 (b).

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