

HCS SCS SB 196 -- SALES AND USE TAX EXEMPTION FOR MATERIAL RECOVERY OPERATIONS

This bill modifies the sales and use tax exemption definition for "material recovery processing plant" by requiring the plant to have as its primary purpose the recovery of materials into a useable product or a material to manufacture a new product. The exemption will include a facility or equipment which is used exclusively for the collection of recovered materials for delivery to a material recovery processing plant but will not include motor vehicles used on highways. Material recovery is not the reuse of materials within a manufacturing process or the use of a product previously recovered.

Electrical energy or gas, whether natural, artificial, or propane; water; and other utilities which are ultimately consumed in connection with the manufacturing of cellular glass products or any material recovery product produced or processed by a material recovery processing plant are included in the sales and use tax exemption.