

HB 2122 STAFF MEASURE SUMMARY

House Committee On Revenue

Prepared By: Chris Allanach, Legislative Revenue Officer

Meeting Dates: 3/12

WHAT THE MEASURE DOES:

For purposes of taxation, 'groceries' are defined as raw food or processed food, including prepackaged food, sold at retail in grocery stores and certain other retail grocery establishments. Specifies that 'groceries' does not mean prepared food. The definition of 'groceries' applies to any tax that is: 1) imposed on or with respect to groceries; 2) measured by sales or any other means of measurement for purposes of taxation; or 3) imposed on any privilege related to groceries. Identifies establishments that are and are not considered 'grocery establishments'. Takes effect on the 91st day following sine die.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

There was a ballot measure in 2018 that raised several questions about the definition of groceries, with respect to taxation. This bill continues that discussion with the intent of providing a clear definition in statute.