

Litter Prevention and Recycling Grant Programs

The Code of Virginia provides for the following annual litter taxes to be collected and deposited in an interest earning account: the Litter Control and Recycling Trust Fund (Fund):

- **Litter Tax -- [Section 58.1-1707](#):** \$10.00 per year for each location of manufacturers, wholesalers, distributors or retailers of consumer products and an additional \$15.00 per year per location where groceries, soft drinks and beer are sold.
- **Excise Tax on Soft Drinks -- [Section 58.1-1702](#):** A gross receipts tax on wholesalers.
- **Excise Tax on Beer and Wine Coolers -- [Section 4.1-236](#):** 2% of the taxes collected go to the Fund.

Specific information on the payment of Virginia's Litter Taxes can be obtained by contacting the Customer Service for Businesses Section of the Virginia Department of Taxation at 804.367.8037.

Additional information can also be found at the Virginia Department of Taxation's Web Site at www.tax.virginia.gov.

Since 1981, Virginia businesses have contributed \$40,187,797 to the Fund.

In Fiscal Year 2006 (July 1, 2005 through June 30, 2006), the litter taxes generated \$1,974,684. The FY 2006 Fund included the following revenues and interest amounts:

- Litter Tax = \$ 873,294
- Soft Drink Tax = \$ 181,007
- Beer Tax = \$ 876,729
- Interest = \$ 43,654

Section 10.1-1422.01 of the Code of Virginia established the Litter Control and Recycling Fund and stipulated that revenues from the litter tax are distributed each year according to the following allocation formula, amended by legislation in 2006 (HB 448) and effective July 1, 2006:

- 90 % - Non-competitive Litter Prevention and Recycling Grants to each Virginia locality;
- 5 % - litter prevention and recycling grants, and,
- 5 % to the Department of Environmental Quality to administer the grant program and provide support for the Litter Control and Recycling Fund Advisory Board (<http://www.deq.virginia.gov/recycle/board.html>) . The Fund Board provides recommendations to the Director on grant funding policy for both litter and recycling programs/projects in the Commonwealth.

The Virginia Department of Environmental Quality provides funds for litter prevention and recycling grants to localities under a **non-competitive grant program** based on

population and road miles. These grants have been awarded annually, since 1980, to localities for local litter prevention and recycling program implementation, continuation, and/or expansion. The grant cycle is July 1 - June 30. The grant announcement is done electronically on or about May 1 of each year. The applications are due to DEQ by June 30 with the Performance and Accounting Report from the locality's last grant due to DEQ by August 31.

All counties, cities and towns in the Commonwealth are eligible for these grant funds either individually or as a regional effort, called a Cooperative Program. If the locality is part of a Cooperative Program, only the Coordinating Agency needs to submit an application. No locality or Cooperative Program can receive grant funding if the filing deadlines for the Application and the Performance and Accounting Report are not met.

Grant Program Reporting

At the conclusion of each grant year, the non-competitive grant recipients must submit Performance and Accounting Reports on the activities and expenses for which the grant funds were used. DEQ compiles the information that is submitted by the grant recipients and certified by one of their authorized agents and submits it to the Litter Control and Recycling Fund Advisory Board for their review and consideration. The current Performance and Accounting Summary Report on the non-competitive grant program can be accessed through the following link:

- Performance and Accounting Report - FY 2006
<http://www.deq.state.va.us/recycle/programs.html>

Previous Performance and Accounting Summary Reports can be accessed from this web link, and an historical summary of the competitive grant educational projects is also available.