

# Commission on Local Government

## Estimate of Local Fiscal Impact

2025 General Assembly Session | 11/22/25

In accordance with the provisions of 30-19.03 of the Code of Virginia, the staff of the Commission on Local Government offers the following analysis of legislation impacting local governments.

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**HB1764: Disposable plastic bag tax; distribution to towns. Provides that any town located within a county that has imposed a disposable plastic bag tax shall receive a distribution of revenues collected by the county based on the local sales tax distribution formula for appropriations to towns. The bill requires that towns use such revenues for the same purposes allowable for a county or city. (Marty Martinez )**

Bill Summary: Disposable plastic bag tax; distribution to towns. Provides that any town located within a county that has imposed a disposable plastic bag tax shall receive a distribution of revenues collected by the county based on the local sales tax distribution formula for appropriations to towns. The bill requires that towns use such revenues for the same purposes allowable for a county or city.

**Local Fiscal Impact: Net Additional Expenditure: \_\_\_\_\_ Net Reduction of Revenues: \_\_\_\_\_**

### Summary Analysis:

**Number of Localities Responding: 4 Cities, 12 Counties, 4 Towns, 1 Other**

Localities estimated no fiscal impact over the biennium.

Localities indicated that the bill has no fiscal impact.





Locality	Expenditure Narrative by Responding Localities
Albemarle County	
Alleghany County	
Augusta County	Augusta County does not have a plastic bag tax.
Bedford County	County has not implemented a disposable plastic bag tax.
Chesterfield County	NA
City of Alexandria	
City of Norfolk	Does not apply to Norfolk as the bill is limited to towns.
City of Richmond	No anticipated fiscal impact.
City of Winchester	
Fauquier County	we do not have a plastic bag tax currently.
Mecklenburg County	
Montgomery County	Montgomery County does not impose any tax on disposable plastic bags.
Northern Neck PDC	The planning district is not impacted by this legislation.
Prince George County	This proposed legislation has no impact for Prince George County. There are no towns within the County.
Prince William County	
Pulaski County	Not sure what the cost is to this may be.
Rappahannock County	Rappahannock County does not implement a plastic bag tax, but if it was to do so, because the population of the only incorporated town (town of Washington) is so small and the relative scarcity of stores, the percentage remitted from the tax would be de minimis.
Town of Chincoteague	
Town of Christiansburg	I would not anticipate an increase in expenditures associated with is change.
Town of Rocky Mount	
Town of Victoria	Lunenburg County does not currently have a disposable plastic bag tax.