

**DEPARTMENT OF TAXATION  
2001 Fiscal Impact Statement**

1. **Patron** Barlow

2. **Bill Number** HB 2286

3. **Committee** House Finance

**House of Origin:**  
  X   **Introduced**  
      **Substitute**  
      **Engrossed**

4. **Title** Local Cigarette Tax: Allow Isle of Wight County to Impose a Cigarette Tax

**Second House:**  
      **In Committee**  
      **Substitute**  
      **Enrolled**

5. **Summary/Purpose:**

This bill would allow Isle of Wight County to impose a local cigarette tax that may not exceed the greater of the state cigarette tax or five cents per pack.

The effective date of this bill has not been specified.

6. **Fiscal Impact Estimates are:** Tentative (See Line 8.)

7. **Budget amendment necessary:** No.

8. **Fiscal implications:**

This bill would increase Isle of Wight County tax revenues by an estimated \$160,000 beginning in Fiscal Year 2001 based on a five cents per pack cigarette tax, and have no impact on state tax revenues.

9. **Specific agency or political subdivisions affected:**

Isle of Wight County

10. **Technical amendment necessary:** No.

11. **Other comments:**

The current state tax cigarette rate is 2 ½ cents per pack. Currently, only those counties that imposed a local cigarette tax prior to January 1, 1977, are allowed to

impose the tax. Accordingly, only Fairfax and Arlington Counties impose a local cigarette tax. This bill would allow Isle of Wight County to impose a local cigarette tax.  
cc: Secretary of Finance