

**DEPARTMENT OF TAXATION
2004 Fiscal Impact Statement**

1. Patron John S. Edwards

2. Bill Number SB 213

3. Committee House Finance

House of Origin:

 Introduced

 Substitute

 Engrossed

4. Title Local Food and Beverage Tax: Allows Giles County to Impose the Tax

Second House:

 X **In Committee**

 Substitute

 Enrolled

5. Summary/Purpose:

This bill would add Giles County to the counties authorized to impose a local food and beverage tax not to exceed four percent by adoption of a local ordinance, rather than after a referendum vote.

The effective date of this bill is not specified.

6. No Fiscal Impact or Fiscal Impact Estimates are: Not available. (See Line 8.)

7. Budget amendment necessary: No.

8. Fiscal implications:

This bill will have no impact on state revenues. The local revenue impact for Giles County is unknown because it is unknown if Giles County would implement a food and beverage tax, and if Giles County does implement a food and beverage tax it is unknown at what rate the tax would be implemented. Giles County does not currently impose a food and beverage tax.

9. Specific agency or political subdivisions affected:

Giles County

10. Technical amendment necessary: No.

11. Other comments:

Under current law, any county may impose a food and beverage tax at a maximum rate of up to four percent, provided the food and beverage tax is approved by referendum vote within the locality or upon the filing of a petition signed by at least ten percent of the registered voters within the locality.

Loudoun County, Montgomery County, Roanoke County and any county having a county manager plan of government may impose an additional food and beverage tax not to exceed four percent by adoption of local ordinance. This bill will add Giles County to that group of localities.

cc : Secretary of Finance