

2008 SESSION

SENATE SUBSTITUTE

082918332

SENATE BILL NO. 147

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Senate Committee on Finance
on January 29, 2008)

(Patron Prior to Substitute—Senator Stosch)

A BILL to amend and reenact § 58.1-626 of the Code of Virginia, as it is currently effective and as it shall become effective, relating to sales and use tax; absorption by seller.

Be it enacted by the General Assembly of Virginia:

1. That § 58.1-626 of the Code of Virginia, as it is currently effective and as it shall become effective, is amended and reenacted as follows:

§ 58.1-626. (Effective until July 1, 2012) Absorption of tax prohibited.

No person shall advertise or hold out to the public, ~~directly or indirectly~~, that he will absorb all or any part of the sales or use tax, or that he will relieve the purchaser, consumer, or lessee of the payment of all or any part of such tax. *The advertising or holding out to the public that a person will provide a discount in an amount equal to the sales or use tax shall not be deemed an advertisement or offer to absorb the sales or use tax, provided that the advertisement or offer clearly states that the sales or use tax shall be collected on the reduced price and remitted to the Tax Commissioner.* Any person who violates this section shall be guilty of a Class 2 misdemeanor. The prohibitions contained in this section shall not apply (i) during the time period set out in § 58.1-611.2 or subdivision 18 of § 58.1-609.1 or during the 14 days immediately preceding such time period for advertisements relating to sales to be made during the time period set out in § 58.1-611.2 or subdivision 18 of § 58.1-609.1; and (ii) during the time period set out in § 58.1-611.3 or during the 14 days immediately preceding such time period for advertisements relating to sales to be made during the time period set out in § 58.1-611.3.

§ 58.1-626. (Effective July 1, 2012) Absorption of tax prohibited.

No person shall advertise or hold out to the public, ~~directly or indirectly~~, that he will absorb all or any part of the sales or use tax, or that he will relieve the purchaser, consumer, or lessee of the payment of all or any part of such tax. *The advertising or holding out to the public that a person will provide a discount in an amount equal to the sales or use tax shall not be deemed an advertisement or offer to absorb the sales or use tax, provided that the advertisement or offer clearly states that the sales or use tax shall be collected on the reduced price and remitted to the Tax Commissioner.* Any person who violates this section shall be guilty of a Class 2 misdemeanor. The prohibitions contained in this section shall not apply during the time period set out in § 58.1-611.2 or during the 14 days immediately preceding such time period for advertisements relating to sales to be made during the time period set out in § 58.1-611.2.

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