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## SENATE BILL NO. 503

## AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Senate Committee on Finance  
on February 7, 2012)

(Patrons Prior to Substitute—Senators Saslaw and Puller [SB 138])

A BILL to amend the Code of Virginia by adding in Title 58.1 a chapter numbered 22.1, consisting of sections numbered 58.1-2291 through 58.1-2299.20, and to repeal Article 4 (§§ 58.1-1718.1 through 58.1-1724.1) and Article 4.1 (§§ 58.1-1724.2 and 58.1-1724.4) of Chapter 17 of Title 58.1 of the Code of Virginia, relating to motor vehicle fuels sales tax; penalties.

**Be it enacted by the General Assembly of Virginia:**

**1. That the Code of Virginia is amended by adding in Title 58.1 a chapter numbered 22.1, consisting of sections numbered 58.1-2291 through 58.1-2299.20, as follows:**

## CHAPTER 22.1.

## MOTOR VEHICLE FUELS SALES TAX IN CERTAIN TRANSPORTATION DISTRICTS.

§ 58.1-2291. Title.

*This chapter shall be known and may be cited as the "Motor Vehicle Fuels Sales Tax Act."*

§ 58.1-2292. Definitions.

*As used in this chapter unless the context requires a different meaning:*

"Commissioner" means the Commissioner of the Department of Motor Vehicles.

"Cost price" means the same as that term is defined in § 58.1-602, and also includes all federal and state excise taxes and storage tank fees paid by the distributor. "Cost price" does not include separately stated federal diesel fuel excise taxes, unless the distributor fails to exclude the federal diesel excise tax when collecting the tax imposed pursuant to this chapter.

"Department" means the Department of Motor Vehicles, acting directly or through its duly authorized officers and agents.

"Distributor" means (i) any person engaged in the business of selling fuels in the Commonwealth who brings, or causes to be brought, into the Commonwealth from outside the Commonwealth any fuels for sale, or any other person engaged in the business of selling fuels in the Commonwealth; (ii) any person who makes, manufactures, fabricates, processes, or stores fuels in the Commonwealth for sale in the Commonwealth; or (iii) any person engaged in the business of selling fuels outside the Commonwealth who ships or transports fuels to any person in the business of selling fuels in the Commonwealth.

"Fuel" means any fuel subject to tax under Chapter 22 (§ 58.1-2200 et seq.).

"Gross sales" means the same as that term is defined in § 58.1-602.

"Retail dealer" means any person, including a distributor, who sells fuels to a consumer or to any person for any purpose other than resale.

"Sale" means the same as that term is defined in § 58.1-602 and also includes the distribution of fuel by a distributor to itself as a retail dealer.

"Sales price" means the same as that term is defined in § 58.1-602 and also includes all transportation and delivery charges, regardless of whether the charges are separately stated on the invoice. Sales price does not include separately stated federal diesel fuel excise taxes, unless the distributor fails to exclude the federal diesel excise tax when collecting the tax imposed pursuant to this chapter.

§ 58.1-2293. Regulation; forms.

*The Commissioner may promulgate regulations and shall prescribe such forms as shall be necessary to effectuate and enforce this chapter.*

§ 58.1-2294. Disclosure of information; penalties.

A. The Commissioner may divulge tax information collected in administering this chapter to the Tax Commissioner, or to any director of finance or other authorized collector of county, city, or town taxes who, for the performance of his official duties, requests the same in writing setting forth the reasons for such request. The Commissioner may also divulge to the executive directors of the Northern Virginia Transportation Commission and the Potomac and Rappahannock Transportation Commission for their confidential use such tax information as may be necessary to facilitate the collection of the taxes levied under this chapter.

B. Any person to whom tax information is divulged pursuant to this section shall be subject to the prohibitions and penalties prescribed in § 58.1-3 as though that person were a tax official as defined in that section.

§ 58.1-2295. Levy; payment of tax.

A. In addition to all other taxes now imposed by law, there is hereby imposed a tax upon every

distributor who engages in the business of selling fuels at wholesale to retail dealers for retail sale in any county or city that was a member on January 1, 2012, of (i) any transportation district in which a rapid heavy rail commuter mass transportation system operating on an exclusive right-of-way and a bus commuter mass transportation system are owned, operated, or controlled by an agency or commission as defined in § 15.2-4502 or (ii) any transportation district that is subject to subsection C of § 15.2-4515 and that is contiguous to the Northern Virginia Transportation District.

The tax shall be imposed at a rate of 2.1 percent of the sales price charged by a distributor for fuels sold to a retail dealer for retail sale in any such county or city. In any such sale to a retail dealer in which the distributor and the retail dealer are the same person, the sales price charged by the distributor shall be the cost price to the distributor of the fuel.

The tax levied under this section shall be imposed at the time of sale by the distributor to the retail dealer.

B. The tax imposed by this section shall be paid by the distributor, but the distributor shall separately state the amount of the tax and add such tax to the sales price or charge. Thereafter, such tax shall be a debt from the retail dealer to the distributor until paid and shall be recoverable at law in the same manner as other debts. No action at law or suit in equity under this chapter shall be maintained in the Commonwealth by any distributor who is not registered under § 58.1-2299.2 or is delinquent in the payment of taxes imposed under this chapter.

§ 58.1-2296. Backup tax; liability.

A. There is hereby imposed a tax at the rate specified by § 58.1-2295 on fuel not subject to the tax imposed under that section at the time of sale by the distributor to the retail dealer, but subsequently sold or used in such a manner that the previous sale should have been taxed under that section.

B. The person selling or using fuel that is subject to the tax imposed by this section shall be liable for the tax.

C. The tax liability imposed by this section shall be in addition to any other penalty imposed pursuant to this chapter.

§ 58.1-2297. When tax return and payment are due; credits for overpayment.

A. Every distributor required to collect the taxes imposed under this chapter shall file a return with the Commissioner. Such return shall be in the form specified by the Commissioner and contain the information required by the Commissioner. The return and the payment for the taxes levied pursuant to this chapter shall be due for each full month in a calendar year. Any return and payment required under this section shall be deemed timely filed if received by the Commissioner by midnight of the twentieth day of the second month succeeding the month for which the return and payment are due. Each return shall report tax liabilities that accrue in the month for which the return is due.

B. Returns and payments shall be (i) postmarked on or before the fifteenth day of the second month succeeding the month for which the return and payment are due or (ii) received by the Department by the twentieth day of the second month succeeding the month for which the return and payment are due. However, a monthly return of the tax for the month of May shall be (a) postmarked by June 25 or (b) received by the Commissioner by the last business day the Department is open for business in June.

If a tax return and payment due date falls on a Saturday, Sunday, or a state or banking holiday, the return shall be postmarked on or before the fifteenth day of the second month succeeding the month for which the return and payment are due or received by the Department by midnight of the next business day the Department is open for business. This provision shall not apply to a return of the tax for the month of May.

A return and payment shall be deemed postmarked if it carries the official cancellation mark of the United States Postal Service or other postal or delivery service.

C. Notwithstanding the provisions of any other section in this chapter, the Commissioner may require all or certain distributors to file tax returns and payments electronically.

D. Persons incurring liability under § 58.1-2296 for the backup tax on fuel shall file a return together with a payment of tax due within 30 calendar days of incurring such liability.

E. Any person entitled to a credit for overpayment of a tax levied under this chapter shall claim such credit on his monthly return no later than one year following the date of the overpayment.

§ 58.1-2298. Deductions.

For purposes of compensating a distributor for accounting for and remitting the tax levied by this chapter, such distributor shall be allowed to deduct two percent of the tax otherwise due in submitting his return and paying the amount due by him if the amount was not delinquent at the time of payment.

§ 58.1-2299. Bad debts.

A. In any return filed under the provisions of this chapter, a distributor may credit, against the tax shown to be due on the return, the amount of tax previously returned and paid on accounts which are owed to the distributor and which have been found to be worthless within the period covered by the return. The credit, however, shall not exceed the amount of the uncollected sales price determined by treating prior payments on each debt as consisting of the same proportion of the sales price, tax levied

under this chapter, and other nontaxable charges as the total debt originally owed to the distributor. The amount of accounts for which a credit has been taken that are thereafter in whole or in part paid to the dealer shall be included in the first return filed after such collection.

B. Notwithstanding any other provision of this section, a distributor whose volume and character of uncollectible accounts, including checks returned for insufficient funds, renders it impractical to substantiate the credit on an account-by-account basis may, subject to the approval of the Department, utilize an alternative method of substantiating the credit.

§ 58.1-2299.1. Exclusion from professional license tax.

The amount of the tax imposed by this chapter and collected by a distributor in any taxable year shall be excluded from gross receipts for purposes of any tax imposed under Chapter 37 (§ 58.1-3700 et seq.).

§ 58.1-2299.2. Certificates of registration; issuance; civil penalty.

A. Every person desiring to engage in the business of a distributor and to sell fuel to a retail dealer for retail sale within any county or city that is a member of (i) any transportation district in which a rapid heavy rail commuter mass transportation system operating on an exclusive right-of-way and a bus commuter mass transportation system are owned, operated, or controlled by an agency or commission as defined in § 15.2-4502 or (ii) any transportation district that is subject to subsection C of § 15.2-4515 and that is contiguous to the Northern Virginia Transportation District shall file an application for a certificate of registration with the Commissioner for collection and payment of the tax imposed pursuant to this chapter.

B. The application for certificate of registration shall be on a form prescribed by the Commissioner and shall set forth the name under which the applicant intends to transact the business for which registration is required under subsection A, the principal location of the place of business, and such other information as the Commissioner may require.

Each applicant shall sign the application as owner of the business. If the business is owned by an association, partnership, or corporation, the application shall be signed by a member, partner, executive officer, or other person specifically authorized by the association, partnership, or corporation to sign.

C. Upon approval of the application by the Commissioner, a certificate of registration shall be issued. The certificate is not assignable but shall be valid only for the person in whose name it is issued.

D. If the holder of a certificate of registration issued under this section ceases to conduct his business in the Commonwealth at the principal place of business designated in the certificate, the certificate shall automatically expire. The holder shall notify the Commissioner, in writing, within 30 days after he has ceased to conduct the business. If the holder of the certificate desires to continue in the business for which he was registered but at a different location, he shall so inform the Commissioner, in writing, at least 30 days prior to the contemplated relocation. The Commissioner shall then issue an amended certificate designating the new principal place of business. The amended certificate shall become effective on the date that the certificate for the previous place of business expires. There shall be no charge for obtaining an amended certificate.

E. The holder of the certificate of registration issued under this chapter who discontinues in the Commonwealth the business for which the certificate was issued, whether by transferring his business to another person, by selling out his business or stock of goods, or by quitting the business, shall notify the Commissioner in writing within 15 days of such discontinuance and shall surrender the certificate to the Commissioner. The notice shall state the effective date of the discontinuance and, if the certificate holder has transferred the business or otherwise relinquished control to another person by sale or otherwise, the date of the sale or transfer and the name and address of the person to whom the business is transferred or relinquished. The notice shall also include any other information required by the Commissioner.

F. Whenever a person fails to comply with any provision of this chapter or any rule or regulation relating thereto, the Commissioner, after giving such person 10 days' notice in writing, may revoke or suspend the certificate of registration held by such person. The notice may be personally served or served by registered mail directed to the last known address of such person.

G. Any person required to obtain a certificate of registration under this chapter who engages in business in the Commonwealth without obtaining such certificate, or after such certificate has been suspended or revoked, and each officer of any corporation which so engages in business, shall be subject to a civil penalty. The amount of the civil penalty assessed against a person for his (i) first violation shall be \$5,000 and (ii) second and subsequent violations shall be \$10,000. Each day's continuance in business in violation of this section shall constitute a separate offense.

§ 58.1-2299.3. Collection of tax.

Any distributor collecting the tax on transactions exempt or not taxable under this chapter shall transmit to the Commissioner such erroneously or illegally collected tax unless or until he can

183 affirmatively show that the tax has since been refunded to the purchaser or credited to his account.

184 Any distributor who neglects, fails, or refuses to collect such tax upon every taxable sale made by  
185 him, his agents, or his employees shall be liable for and pay the tax himself, and such distributor shall  
186 not thereafter be entitled to sue for or recover in the Commonwealth any part of the purchase price  
187 from the purchaser until such tax is paid. Moreover, any distributor who neglects, fails, or refuses to  
188 pay or collect the tax herein provided, either by himself or through his agents or employees, is guilty of  
189 a Class 1 misdemeanor.

190 All sums collected by a distributor as required by this chapter shall be deemed to be held in trust for  
191 the Commonwealth.

192 § 58.1-2299.4. Absorption of tax prohibited.

193 No person shall advertise or hold out to the public, directly or indirectly, that he will absorb all or  
194 any part of the tax levied under this chapter, or that he will relieve the purchaser of the payment of all  
195 or any part of such tax. Any person who violates this section shall be guilty of a Class 2 misdemeanor.

196 § 58.1-2299.5. Sale of business.

197 If any distributor liable for any tax, penalty, or interest levied under this chapter sells out his  
198 business or stock of goods or quits the business, he shall make a final return and payment within 15  
199 days after the date of selling or quitting the business. His successors or assigns, if any, shall withhold  
200 sufficient of the purchase money to cover the amount of such taxes, penalties, and interest due and  
201 unpaid until such former owner produces a receipt from the Commissioner showing that they have been  
202 paid or a certificate stating that no taxes, penalties, or interest are due. If the purchaser of a business  
203 or stock of goods fails to withhold the purchase money as provided in this section, he shall be  
204 personally liable for the payment of the taxes, penalties, and interest due and unpaid on account of the  
205 operation of the business by any former owner.

206 § 58.1-2299.6. Late filing or payment; civil penalty.

207 A. Any person who fails to file a return required by this chapter on a timely basis shall be subject to  
208 a civil penalty. The amount of the civil penalty shall be as follows:

209 1. \$50 for the first violation;

210 2. \$200 for the second violation;

211 3. \$500 for the third violation; and

212 4. \$1,000 for the fourth and subsequent violations.

213 After imposition of the penalty under this subsection, the amount of the penalty, if not paid within 30  
214 days of receipt of notice of such penalty, shall bear interest at the rate of one percent per month or  
215 fraction thereof until the penalty has been paid.

216 B. Interest at the rate of one percent per month or fraction thereof shall accrue on the amount of  
217 any taxes due under this chapter that have not been paid to the Commissioner on a timely basis. Such  
218 interest shall continue to accrue until such taxes have been paid.

219 Any person who fails to pay the Commissioner on a timely basis the amount of taxes due under this  
220 chapter shall also be subject to a civil penalty. The amount of the civil penalty shall be equal to 10  
221 percent of the tax due or \$50, whichever is greater; however, penalties resulting from an audit shall be  
222 equal to 10 percent of the tax due.

223 After imposition of the civil penalty under this subsection, the amount of the penalty, if not paid  
224 within 30 days of receipt of notice of such penalty, shall bear interest at the rate of one percent per  
225 month until both tax and penalty have been paid.

226 C. The Commissioner is authorized to reduce or waive any penalties under this section if the  
227 violation is due to a reasonable or good cause shown to the satisfaction of the Commissioner.

228 § 58.1-2299.7. False or fraudulent return; civil penalty.

229 Any person liable for a tax levied under this chapter who files a false or fraudulent return with the  
230 intent to evade the tax shall be subject to a civil penalty. The amount of the civil penalty shall be equal  
231 to 50 percent of the amount of the tax intended to be evaded by the filing of such return. The civil  
232 penalty shall be in addition to the amount of the tax intended to be evaded.

233 § 58.1-2299.8. Payment of civil penalty; disposition; waiver.

234 Any civil penalty assessed pursuant to this chapter shall be payable to the Department, shall be in  
235 addition to any other penalty or tax that may be imposed as provided in this chapter, and shall be  
236 collectible by the Commissioner in the same manner as if it were part of the tax levied. The amount of  
237 any civil penalty imposed under this chapter shall bear interest at the rate of one percent per month  
238 until paid. All civil penalties imposed under this chapter shall be deposited as provided in  
239 § 58.1-2299.20. Notwithstanding any other provisions of this chapter, the Commissioner is authorized to  
240 reduce or waive any civil penalties under this chapter if the violation is due to a reasonable or good  
241 cause shown to the satisfaction of the Commissioner.

242 § 58.1-2299.9. Prohibited acts; criminal penalties.

243 A. Any person who commits any of the following acts is guilty of a Class 1 misdemeanor:

244 1. Failing to obtain a certificate of registration required by this chapter;

2. Failing to file a return required by this chapter;  
 3. Failing to pay a tax when due under this chapter;  
 4. Making a false statement in an application, return, ticket, invoice, statement, or any other document required under this chapter;  
 5. Failing to keep records as required under this chapter; or  
 6. Refusing to allow the Commissioner or a representative of the Commissioner to examine the person's books and records concerning transactions taxable under this chapter.

B. A person who knowingly commits any of the following acts is guilty of a Class 1 misdemeanor:

1. Dispenses into the supply tank of a highway vehicle, watercraft, or aircraft any fuel on which a tax required to be levied under this chapter has not been paid; or
2. Allows to be dispensed into the supply tank of a highway vehicle, watercraft, or aircraft any fuel on which a tax required to be levied under this chapter has not been paid.

§ 58.1-2299.10. Willful commission of prohibited acts; criminal penalties.  
 Any person who willfully commits any of the following acts with the intent to (i) evade or circumvent the taxes imposed under this chapter or (ii) assist any other person in efforts to evade or circumvent such taxes is guilty of a Class 6 felony, if he:

1. Does not pay the taxes imposed under this chapter and diverts the proceeds from such taxes for other purposes;
2. Is a distributor required to be registered under the provisions of this chapter, or the agent or representative of such a distributor, and converts or attempts to convert proceeds from taxes imposed under this chapter for the use of the distributor or the distributor's agent or representative, with the intent to defraud the Commonwealth;
3. Illegally collects taxes imposed under this chapter when not authorized or licensed by the Commissioner to do so;
4. Conspires with any other person or persons to engage in an act, plan, or scheme to defraud the Commonwealth of proceeds from taxes levied under this chapter;
5. Fails to remit to the Commissioner any tax levied pursuant to this chapter, if he (i) has added, or represented that he has added, the tax to the sales price for the fuel and (ii) has collected the amount of the tax; or
6. Applies for or collects from the Department a tax credit when the person knows or has reason to know that fuel for which the credit is claimed has been or will be used for a taxable purpose; however, if the amount of fuel involved is not more than 20 gallons, such person is guilty of a Class 1 misdemeanor.

§ 58.1-2299.11. Bond.  
 The Commissioner may, when in his judgment it is necessary and advisable so to do in order to secure the collection of the tax levied by this chapter, require any person subject to such tax to file with him a bond, with such surety as the Commissioner determines is necessary to secure the payment of any tax, penalty, or interest due or which may become due from such person. In lieu of such bond, securities approved by the Commissioner may be deposited with the State Treasurer, which securities shall be kept in the custody of the State Treasurer and shall be sold by him, at the request of the Commissioner, at public or private sale if it becomes necessary to do so in order to recover any tax, penalty, or interest due the Commonwealth under this chapter. Upon any such sale, the surplus, if any, above the amounts due under this chapter shall be returned to the person who deposited the securities.

§ 58.1-2299.12. Jeopardy assessment.  
 If the Commissioner is of the opinion that the collection of any tax or any amount of tax required to be collected and paid under this chapter will be jeopardized by delay, he shall make an assessment of the tax or amount of tax required to be collected and shall mail or issue a notice of such assessment to the taxpayer together with a demand for immediate payment of the tax or of the deficiency in tax declared to be in jeopardy including penalties. In the case of a tax for a current period, the Commissioner may declare the taxable period of the taxpayer immediately terminated and shall cause notice of such finding and declaration to be mailed or issued to the taxpayer together with a demand for immediate payment of the tax based on the period declared terminated and such tax shall be immediately due and payable, whether or not the time otherwise allowed by law for filing a return and paying the tax has expired. Assessments provided for in this section shall become immediately due and payable, and if any such tax, penalty, or interest is not paid upon demand of the Commissioner, he shall proceed to collect the same by legal process, or, in his discretion, he may require the taxpayer to file such bond as in his judgment may be sufficient to protect the interest of the Commonwealth.

§ 58.1-2299.13. Memorandum of lien for collection of taxes.  
 A. If any taxes or fees, including penalties and interest, due under this chapter become delinquent or are past due, the Commissioner may file a memorandum of lien in the circuit court clerk's office of the county or city in which the taxpayer's place of business is located or in which the taxpayer resides. If

306 the taxpayer has no place of business or residence within the Commonwealth, such memorandum may  
307 be filed in the Circuit Court of the City of Richmond. A copy of such memorandum may also be filed in  
308 the clerk's office of all counties and cities in which the taxpayer owns real estate. Such memorandum  
309 shall be recorded in the judgment docket book and shall have the effect of a judgment in favor of the  
310 Commonwealth, to be enforced as provided in Article 19 (§ 8.01-196 et seq.) of Chapter 3 of Title 8.01,  
311 mutatis mutandis, except that a writ of fieri facias may be issued any time after the memorandum is  
312 filed. The lien on real estate shall become effective at the time the memorandum is filed in the  
313 jurisdiction in which the real estate is located.

314 B. Recordation of a memorandum of lien hereunder shall not affect the right to exoneration under  
315 this chapter nor shall an application for correction pursuant to § 58.1-2299.15 affect the power of the  
316 Commissioner to collect the tax, except as specifically provided in this chapter.

317 § 58.1-2299.14. Recordkeeping requirements; inspection of records; civil penalties.

318 A. Every distributor required to make a return and pay or collect any tax under this chapter shall  
319 keep and preserve suitable records of the sales taxable under this chapter, and such other books of  
320 account as may be necessary to determine the amount of tax due hereunder, and such other pertinent  
321 information as may be required by the Commissioner. Such records shall be kept and maintained for a  
322 period to include the Department's current fiscal year and the previous three fiscal years.

323 B. The Commissioner or any agent authorized by him may examine during the usual business hours  
324 all records, books, papers, or other documents of any distributor required to be registered under this  
325 chapter relating to the sales price of any fuel subject to taxation under this chapter to verify the truth  
326 and accuracy of any statement or any other information as to a particular sale.

327 C. Any person who fails to keep or retain records as required by this section shall be subject to a  
328 civil penalty. The amount of the civil penalty assessed against a person for his first violation shall be  
329 \$1,000. The amount of the civil penalty assessed against a person for each subsequent violation shall be  
330 \$1,000 more than the amount of the civil penalty for the preceding violation.

331 D. Any person who refuses to allow an inspection authorized under this section shall be subject to a  
332 civil penalty of \$5,000 for each refusal.

333 § 58.1-2299.15. Application to Commissioner for correction; appeal.

334 A. Any person assessed with any tax administered by the Department pursuant to this chapter or  
335 against whom an order or decision of the Commissioner has been adversely rendered relating to the  
336 provisions of this chapter may, within 30 days from the date of such assessment, order, or decision  
337 apply for relief to the Commissioner. Such application shall be in the form prescribed by the  
338 Department and shall fully set forth the grounds upon which the applicant relies and all facts relevant  
339 to the applicant's contention. The Commissioner may also require such additional information,  
340 testimony, or documentary evidence as he deems necessary to make a fair determination of the  
341 application.

342 B. On receipt of a written notice of intent to file under subsection A for relief from a tax assessment,  
343 the Commissioner shall refrain from collecting the tax until the time for filing hereunder has expired,  
344 unless he determines that collection is in jeopardy.

345 C. Any person against whom an order or decision of the Commissioner has been adversely rendered  
346 relating to the provisions of this chapter may, within 15 days of such order or decision, appeal from  
347 such order or decision to the Circuit Court of the City of Richmond.

348 § 58.1-2299.16. Period of limitations.

349 The taxes imposed by this chapter shall be assessed within three years from the date on which such  
350 taxes became due and payable. In the case of a false or fraudulent return with intent to evade payment  
351 of the taxes imposed by this chapter, or a failure to file a return, the taxes may be assessed, or a  
352 proceeding in court for the collection of such taxes may be begun without assessment, at any time. The  
353 Commissioner shall not examine any person's records beyond the three-year period of limitations unless  
354 he has reasonable evidence of fraud or reasonable cause to believe that such person was required by  
355 law to file a return and failed to do so.

356 § 58.1-2299.17. Waiver of time limitation on assessment of taxes.

357 If, before the expiration of the time prescribed for assessment of any tax levied pursuant to this  
358 chapter and assessable by the Department, both the Commissioner and the taxpayer have consented in  
359 writing to its assessment after such time, the tax may be assessed any time prior to the expiration of the  
360 period agreed upon. The period so agreed upon may be extended by subsequent agreements in writing  
361 made before the expiration of the period previously agreed upon.

362 § 58.1-2299.18. Suits to recover taxes.

363 If any person fails to pay the tax or any civil penalty levied under this chapter, including accrued  
364 penalties and interest, when due, the Attorney General or the Commissioner may bring an appropriate  
365 action for the recovery of such tax, penalty, and interest, provided that if it is found that such failure to  
366 pay was willful, judgment shall be rendered for double the amount of the tax or civil penalty found to  
367 be due, with costs.

§ 58.1-2299.19. *Liability of corporate or partnership officer; penalty.*

Any corporate or partnership officer who directs or causes the business of which he is a corporate or partnership officer to fail to pay, collect, or truthfully account for and pay over any fuels tax for which the business is liable to the Commonwealth or to a trustee shall, in addition to other penalties provided by law, be liable for a penalty in the amount of the tax evaded or not paid, collected, or accounted for and paid over. The penalty shall be assessed and collected in the same manner as such taxes are assessed and collected. However, this penalty shall be dischargeable in bankruptcy proceedings.

§ 58.1-2299.20. *Disposition of tax revenues.*

All taxes, interest, and civil penalties paid to the Commissioner pursuant to this chapter, after subtraction of the direct costs of administration by the Department, shall be deposited in a special fund entitled the "Special Fund Account of the Transportation District of . . . . . ." The amounts deposited in the special fund shall be distributed monthly to the applicable transportation district commission of which the county or city is a member to be applied to the operating deficit, capital, and debt service of the mass transit system of such district or, in the case of a transportation district subject to the provisions of subsection C of § 15.2-4515, to be applied to and expended for any transportation purpose of such district. In the case of a jurisdiction which, after July 1, 1989, joins a transportation district which was established on or before January 1, 1986, and is also subject to subsection C of § 15.2-4515, the funds collected from that jurisdiction shall be applied to and expended for any transportation purpose of such jurisdiction. The direct costs of administration shall be credited to the funds appropriated to the Department.

2. That Article 4 (§§ 58.1-1718.1 through 58.1-1724.1) and Article 4.1 (§§ 58.1-1724.2 and 58.1-1724.4) of Chapter 17 of Title 58.1 of the Code of Virginia are repealed.

3. That the provisions of this act shall become effective on July 1, 2013.

4. That the provisions of this act may result in a net increase in periods of imprisonment or commitment. Pursuant to § 30-19.1:4, the estimated amount of the necessary appropriation cannot be determined for periods of imprisonment in state adult correctional facilities; therefore, Chapter 890 of the Acts of Assembly of 2011 requires the Virginia Criminal Sentencing Commission to assign a minimum fiscal impact of \$50,000. Pursuant to § 30-19.1:4, the estimated amount of the necessary appropriation is \$0 for periods of commitment to the custody of the Department of Juvenile Justice.