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## HOUSE BILL NO. 1356

Offered January 11, 2018

A BILL to amend and reenact § 58.1-1742 of the Code of Virginia, relating to state transient occupancy tax.

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Patron—Reid

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Referred to Committee on Rules

**Be it enacted by the General Assembly of Virginia:****1. That § 58.1-1742 of the Code of Virginia is amended and reenacted as follows:**

Article 10.

State Transient Occupancy Tax.

**§ 58.1-1742. (Contingent expiration date) State transient occupancy tax.**

In addition to all other fees and taxes imposed under law, there is hereby imposed an additional transient occupancy tax at the rate of two percent of the amount of the charge for the occupancy of any room or space occupied in any county or city located in a Planning District established pursuant to Chapter 42 (§ 15.2-4200 et seq.) of Title 15.2 that (i) as of January 1, 2013, has a population of two million or more, as shown by the most recent United States Census, has not less than 1.7 million motor vehicles registered therein, and has a total transit ridership of not less than 50 million riders per year across all transit systems within the Planning District or (ii) as shown by the most recent United States Census meets the population criteria set forth in clause (i) and also meets the vehicle registration and ridership criteria set forth in clause (i). In any case in which the tax is imposed pursuant to clause (ii) such tax shall be effective beginning on the July 1 immediately following the calendar year in which all of the criteria have been met.

The tax imposed under this section shall be imposed only for the occupancy of any room or space that is suitable or intended for occupancy by transients for dwelling, lodging, or sleeping purposes.

The tax imposed under this section shall be administered by the locality in which the room or space is located in the same manner as it administers the tax authorized by § 58.1-3819 or 58.1-3840, mutatis mutandis, except as herein provided. The revenue generated and collected from the tax shall be deposited by the local treasurer into the state treasury pursuant to § 2.2-806. In the case of Planning District 8, the revenue generated and collected therein shall be deposited into the fund established in § 33.2-2509. For additional Planning Districts that may become subject to this section, funds shall be established by appropriate legislation. The Commonwealth Transportation Board shall use thirty-five percent of the revenue generated and collected from the tax to fund the Washington Metropolitan Area Transit Authority, and use the remaining amount to fund transit and transportation projects throughout the Commonwealth.

INTRODUCED

HB1356