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**HOUSE BILL NO. 1708**

Offered January 17, 2020

A BILL to amend and reenact § 18.2-334.3 of the Code of Virginia and to amend the Code of Virginia by adding in Chapter 3 of Title 11 a section numbered 11-16.1 and a section numbered 58.1-3840.1, relating to municipal taxation of electronic gaming machines.

Patron—Tyler

Referred to Committee on General Laws

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

**1. That § 18.2-334.3 of the Code of Virginia is amended and reenacted and that the Code of Virginia is amended by adding in Chapter 3 of Title 11 a section numbered 11-16.1 and a section numbered 58.1-3840.1 as follows:**

**§ 11-16.1. Exemption; play of electronic gaming machines.**

*This chapter shall not apply to the play of electronic gaming machines, as defined in § 58.1-3840.1.*

**§ 18.2-334.3. Exemptions to article.**

Nothing in this article shall apply to any lottery conducted by the Commonwealth of Virginia pursuant to Chapter 40 of Title 58.1 or the play of electronic gaming machines, as defined in § 58.1-3840.1.

**§ 58.1-3840.1. Municipal taxation of electronic gaming machines.**

A. As used in this section:

"Electronic gaming machine" means a mechanically, electrically, or electronically operated machine or device utilizing a video display and microprocessors that, with the exchange of anything of value from the player, is available to play a game of skill in which the player may win a prize depending on the outcome of the game.

"Game" means a game based on or involving the matching of different pictures, words, numbers, or symbols; a casino game; a gambling game; a playing card game; or any similar game. "Game" includes poker, line up, blackjack, bingo, craps, keno, lotto, eight-liner, and pot-of-gold.

"Game of skill" means a game in which the element of the skill or dexterity of the player predominates over any element of chance or luck in determining the outcome of the game.

"Operator" means any person that operates an electronic gaming machine at a location that is open to the public.

B. In addition to any other tax authorized by law, any city or town having general taxing powers established by charter pursuant to or consistent with the provisions of § 15.2-1104 may by ordinance impose a tax at a rate not to exceed 10 percent of the amount paid to an operator for the opportunity to play an electronic gaming machine. Such tax shall be collected by the operator and remitted to the city or town according to forms and procedures prescribed by such city or town.

C. In addition to any other powers authorized by law, any city or town having general taxing powers established by charter pursuant to or consistent with the provisions of § 15.2-1104 may enact any ordinance that is necessary and proper for regulating electronic gaming machines and operators, including zoning ordinances and ordinances that limit or restrict electronic gaming machines.

INTRODUCED

HB1708