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HOUSE BILL NO. 1442

Offered January 11, 2023

Prefiled December 20, 2022

A *BILL to amend the Code of Virginia by adding a section numbered 58.1-210.1 and by adding in Article 6 of Chapter 38 of Title 58.1 a section numbered 58.1-3827, relating to transient occupancy tax; administration.*

 Patron—McNamara

Referred to Committee on Finance

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding a section numbered 58.1-210.1 and by adding in Article 6 of Chapter 38 of Title 58.1 a section numbered 58.1-3827 as follows:

§ 58.1-210.1. Publication of local transient occupancy taxes.

The Department shall annually publish on its website the current rate of the transient occupancy tax imposed in each locality. Every tax-assessing officer of a county, city, or town shall send to the Department, in a manner prescribed by the Department, the information as to his county, city, or town necessary to enable the Department to publish such information. Such information shall be so furnished by such tax-assessing officers as soon as it is available after request by the Department or within 30 days of any change in such rate. If any such tax-assessing officer fails, without good cause, to furnish the same to the Department on demand, he is guilty of nonfeasance in office.

§ 58.1-3827. Administration of transient occupancy tax.

A. The tax-assessing officer of a county, city, or town shall administer and enforce the assessment and collection of transient occupancy taxes from accommodations intermediaries.

B. In administering the collection of transient occupancy taxes from accommodations intermediaries, the tax-assessing officer of a county, city, or town shall provide adequate information to accommodations intermediaries to enable them to identify transient occupancy rates and any discounts, deductions, or exemptions.

C. Every accommodations intermediary required to collect or pay the transient occupancy tax, on or before the twentieth day of the month or quarter following the month or quarter, as applicable, in which the tax shall become effective, shall transmit to the tax-assessing officer of a county, city, or town a return showing the gross receipts, any allowable discounts, deductions, or exemptions, the rate applied to the resultant net receipts, and the total local transient occupancy tax due, as well as any penalties and interest due, arising from all transactions taxable under this chapter during the preceding calendar month or quarter. Where applicable, the return shall also include the number of room nights and the room tax rate applied, the total amount of room tax due, and any regional transportation transient occupancy taxes due. Thereafter, a like return shall be prepared and transmitted to the tax-assessing officer of a county, city, or town by every accommodations intermediary on or before the twentieth day of each month or quarter, for the preceding calendar month or quarter.

D. Beginning on July 1, 2024, any accommodations intermediary may transmit such return and accompanying taxes due for all counties, cities, or towns imposing such tax by means of an electronic interface established by the Compensation Board to enable single filing and remittance.

2. That the Compensation Board, from such funds as may be available for this purpose and in consultation with representatives of the tax-assessing officers of counties, cities, and towns, shall contract with a third-party provider for development of an electronic interface that enables accommodations intermediaries to provide a single filing and remittance for transient occupancy taxes due for all counties, cities, and towns. Such interface shall include all of the information required by this act for inclusion in a return and allow for the payment of all taxes due by electronic means and provide for the distribution of such taxes on a monthly basis to the applicable local governing body in which the short-term rental unit was located and for which the tax was collected by the accommodations intermediary. Such interface shall be procured, tested, and fully operational by July 1, 2024.

INTRODUCED

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