

1997 SESSION

INTRODUCED

974718196

HOUSE BILL NO. 1591

Offered January 8, 1997

Prefiled November 26, 1996

A BILL to amend the Code of Virginia by adding a section numbered 58.1-609.14, relating to sales and use tax on food.

Patron—Darner

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 58.1-609.14 as follows:

§ 58.1-609.14. Elimination of tax on certain food.

The tax imposed by this chapter or pursuant to the authority granted in §§ 58.1-605 and 58.1-606 shall not apply to food purchased for preparation and consumption away from the place of purchase on and after July 1, 2005. Until that date, such tax shall be levied in accordance with the following timetable and rates:

<i>Fiscal Year</i>	<i>Tax Rate</i>
1998	3.5%
1999	3.0%
2000	2.5%
2001	2.0%
2002	1.5%
2003	1.0%
2004	0.5%
2005	0.0%

The reduction in sales and use tax revenue resulting from the tax rate reductions in each fiscal year shall be shared by the Commonwealth, the Transportation Trust Fund and the localities in the same proportion as the three percent state sales and use tax, the one-half percent sales and use tax for transportation purposes and the one percent local sales and use tax comprise of the total four and one-half percent sales and use tax.

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