INTRODUCED

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HOUSE BILL NO. 170

Offered January 15, 1998

A BILL to amend and reenact § 58.1-3830 of the Code of Virginia and to repeal § 58.1-3831 of the Code of Virginia, relating to the local cigarette tax.

Patrons—Darner, Almand and Brink

Referred to Committee on Finance

Be it enacted by the General Assembly of Virginia:

1. That § 58.1-3830 of the Code of Virginia is amended and reenacted as follows:

§ 58.1-3830. Local taxes not prohibited; use of dual die or stamp to evidence payment of both county, city, or town and state tax on cigarettes.

A. No provision of Chapter 10 (§ 58.1-1000 et seq.) of this title shall be construed to deprive counties, cities and towns of the right to levy taxes upon the sale or use of cigarettes~~, provided such county, city or town had such power prior to January 1, 1977~~. The governing body of any county, city or town which levies a cigarette tax and permits the use of meter impressions or stamps to evidence its payment may authorize an officer of the county, city or town or joint enforcement authority to enter into an arrangement with the Department of Taxation under which a tobacco wholesaler who so desires may use a dual die or stamp to evidence the payment of both the county, city, or town tax, and the state tax, and the Department is hereby authorized to enter into such an arrangement. The procedure under such an arrangement shall be such as may be agreed upon by and between the authorized county, city, town or joint enforcement authority officer and the Department.

B. Any county cigarette tax imposed shall not apply within the limits of any town located in such county where such town now, or hereafter, imposes a town cigarette tax. However, if the governing body of any such town shall provide that a county cigarette tax, as well as the town cigarette tax, shall apply within the limits of such town, then such cigarette tax may be imposed by the county within such town.

C. Any county imposing the tax on January 1, 1998, may increase its cigarette tax rate by ten cents per pack. Any county not imposing the tax on January 1, 1998, may impose the cigarette tax in such amount and on such terms as the governing body may by ordinance prescribe, not to exceed ten cents per pack.

2. That § 58.1-3831 of the Code of Virginia is repealed.