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HOUSE BILL NO. 1482

Offered January 13, 1999

Prefiled December 15, 1998

A BILL to amend the Code of Virginia by adding in Articles 6 and 7.1 of Chapter 38 of Title 58.1 sections numbered 58.1-3824 and 58.1-3835 respectively, relating to discounts for merchants remitting transient occupancy taxes and food and beverage taxes.

Patron—Morgan

Referred to Committee on Finance

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Articles 6 and 7.1 of Chapter 38 of Title 58.1 sections numbered 58.1-3824 and 58.1-3835, respectively, as follows:

§ 58.1-3824. Discount on transient occupancy tax.

The hotels, motels, boarding houses, travel campgrounds, and other facilities subject to a tax levied by this article shall be compensated for collecting and holding such tax in trust pursuant to § 58.1-3819 by retaining a portion of the taxes collected. The amount to be retained shall be based on a percentage of the taxable transactions and permitted only in the event that returns are timely filed and the amount due is not delinquent at the time of payment.

Taxable Transactions Discount Percentage

\$0 to \$62,500 4%

\$62,501 to \$208,000 3%

\$208,001 and above 2%

The compensation provided for by this section shall be computed according to the schedule provided, regardless of the number of separate hotels, motels, boarding houses, travel campgrounds and other facilities offering guest rooms owned by the person subject to the tax provided for in this article.

§ 58.1-3835. Discount on food and beverage tax.

Establishments selling food and beverages subject to a tax levied by this article or subject to a meals tax levied by a municipal corporation pursuant to such municipal corporation's taxing power shall be compensated for collecting and holding such tax for the benefit of the jurisdiction imposing such tax. The amount to be retained shall be based on a percentage of the taxable transactions and permitted only in the event that returns are timely filed and the amount due is not delinquent at the time of payment.

Taxable Transactions Discount Percentage

\$0 to \$62,500 4%

\$62,501 to \$208,000 3%

\$208,001 and above 2%

The compensation provided for by this section shall be computed according to the schedule provided, regardless of the number of separate restaurants or other establishments with sales subject to the tax provided for in this article.

Apportionment of the discount shall be made on the same basis as the apportionment set forth in § 58.1-3834.

INTRODUCED

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