

1999 SESSION

INTRODUCED

992874442

HOUSE BILL NO. 2545

Offered January 21, 1999

A BILL to amend and reenact §§ 58.1-640, 58.1-641 and 58.1-642 of the Code of Virginia, relating to the tire tax.

Patron—Ruff

Referred to Committee on Finance

Be it enacted by the General Assembly of Virginia:

1. That §§ 58.1-640, 58.1-641 and 58.1-642 of the Code of Virginia are amended and reenacted as follows:

§ 58.1-640. Definitions.

As used in this chapter, unless the context requires a different meaning:

"Fund" means the Waste Tire Trust Fund.

"~~Retailer~~Wholesaler of tires" means any person engaged in the business of making ~~retail~~wholesale sales of tires, whether new or used, within this Commonwealth. "~~Retail sales~~" do not include the sale of tires to a person solely for the purpose of resale, provided the subsequent retail sale in this Commonwealth is subject to the tax levied by the provisions of this chapter.

"Tire" means a continuous solid or pneumatic rubber covering encircling the wheel of a vehicle used for transportation purposes.

§ 58.1-641. Imposition of tire tax.

There is hereby levied and imposed upon every ~~retailer~~wholesaler of tires in the Commonwealth, in addition to all other taxes and fees of every kind now imposed by law, a tax of fifty cents for each new tire sold by such ~~retailer~~ wholesaler.

§ 58.1-642. Collection of tire tax; deductions; exemptions.

A. The tire tax levied under this chapter shall be collected by the Tax Commissioner in the same manner as is the retail sales and use tax, pursuant to Chapter 6 (§ 58.1-600 et seq.) of this title.

B. The tax imposed under § 58.1-641 shall not apply to new tires for:

1. Any device moved exclusively by human power;

2. Any device used exclusively upon stationary rails or tracks; or

3. Any device used exclusively for farming purposes, except a farm truck.

C. For the purpose of compensating a ~~retailer~~ wholesaler of tires for accounting for and remitting the tax levied by this chapter such ~~retailer~~ wholesaler shall be allowed five percent of the amount of tax due and accounted for in the form of a deduction in submitting his return and paying the amount due by him if the amount due was not delinquent at the time of payment.

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