

# 1999 SESSION

INTRODUCED

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## SENATE BILL NO. 1028

Offered January 19, 1999

*A BILL to amend and reenact § 58.1-3734 of the Code of Virginia, relating to license tax on motor vehicle dealers.*

Patrons—Hanger; Delegate: Landes

Referred to Committee on Finance

**Be it enacted by the General Assembly of Virginia:**

**1. That § 58.1-3734 of the Code of Virginia is amended and reenacted as follows:**

§ 58.1-3734. License tax on motor vehicle dealers.

A. Notwithstanding the provisions of § 58.1-605, whenever any county, city or town imposes a license tax applicable to motor vehicle dealers measured by the gross receipts of such dealer, the dealer may separately state the amount of tax applicable to each sale of a motor vehicle and add such tax to the sales price of the motor vehicle. The failure of such merchant to recover the tax from the purchaser shall not relieve such merchant from the obligation to pay the tax to the county, city or town. Any county, city or town may provide by ordinance for the quarterly collection of the gross receipt taxes on such dealers who separately state during the year such receipts are earned.

B. Any county, city or town may also provide by ordinance that when a motor vehicle dealer collects excess business license tax, such dealer shall exercise due diligence to refund such tax to the purchaser within 120 days of discovering such overpayment, and such dealer shall produce evidence of such refund to the commissioner of the revenue or other local assessing officer upon the request of either. Any amounts that are not refunded to purchasers shall be remitted to the commissioner of the revenue or other local assessing officer as additional business license tax.

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