

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact § 58.1-3734 of the Code of Virginia, relating to license tax on motor*
 3 *vehicle dealers.*

[S 1028]

5 Approved

6 **Be it enacted by the General Assembly of Virginia:**7 **1. That § 58.1-3734 of the Code of Virginia is amended and reenacted as follows:**

8 § 58.1-3734. License tax on motor vehicle dealers.

9 A. Notwithstanding the provisions of § 58.1-605, whenever any ~~county, city or town~~ locality imposes
 10 a license tax applicable to motor vehicle dealers measured by the gross receipts of such dealer, the
 11 dealer may separately state the amount of tax applicable to each sale of a motor vehicle and add such
 12 tax to the sales price of the motor vehicle. *It shall be unlawful for a motor vehicle dealer to collect an*
 13 *amount stated separately as such if such dealer knows the amount to be greater than the tax applicable*
 14 *to such sale.* The failure of such merchant to recover the tax from the purchaser shall not relieve such
 15 merchant from the obligation to pay the tax to the ~~county, city or town~~. ~~Any county, city or town~~
 16 ~~locality.~~ Any locality may provide by ordinance for the quarterly collection of the gross receipt taxes on
 17 such dealers who separately state during the year such receipts are earned.

18 B. Any locality may also provide by ordinance that when a motor vehicle dealer collects excess
 19 business license tax, such dealer shall exercise due diligence to refund such tax, in excess of one dollar,
 20 to the purchaser within 120 days of discovering such overpayment, and such dealer shall produce
 21 evidence of such refund to the commissioner of the revenue or other local assessing officer upon the
 22 request of either. Any amounts that are not refunded to purchasers shall be remitted to the
 23 commissioner of the revenue or other local assessing officer as additional business license tax. The
 24 locality may, in its discretion, provide for a refund of such excess taxes to purchasers for a period up to
 25 three years after receiving such overpayment.

ENROLLED

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