

2007 SESSION

INTRODUCED

077109336

HOUSE BILL NO. 2192

Offered January 10, 2007

Prefiled January 9, 2007

A *BILL to amend and reenact § 58.1-611.2 of the Code of Virginia, relating to sales tax holidays; dealer reports.*

Patron—Hull

Referred to Committee on Finance

Be it enacted by the General Assembly of Virginia:

1. That § 58.1-611.2 of the Code of Virginia is amended and reenacted as follows:

§ 58.1-611.2. Limited exemption for certain school supplies, clothing, and footwear.

Beginning in 2006, for a three-day period that begins each year on the first Friday in August and ends at midnight on the first Sunday in August, the tax imposed by this chapter or pursuant to the authority granted in § 58.1-605 or 58.1-606 shall not apply to certain (i) school supplies including, but not limited to, dictionaries, notebooks, pens, pencils, notebook paper, and calculators, and (ii) clothing and footwear designed to be worn on or about the human body. The tax exemption shall apply to each article of school supplies with a selling price of \$20 or less, and each article of clothing or footwear with a selling price of \$100 or less. Any discount, coupon, or other credit offered either by the retailer or by a vendor of the retailer to reduce the final price to the customer shall be taken into account in determining the selling price for purposes of this exemption.

Beginning in 2007, when filing a return that shows the gross sales, gross proceeds, or cost price with the Department in accordance with the provisions of § 58.1-615, every retailer shall report the total sales that were exempt from the retail sales and use tax pursuant to the provisions of this section.

The Department shall develop guidelines that describe the items of merchandise that qualify for the exemption and make such guidelines available, both electronically and in hard copy, no later than July 15 of each year.

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