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HOUSE BILL NO. 269

Offered January 13, 2010

Prefiled January 11, 2010

A BILL to amend and reenact § 58.1-1720 of the Code of Virginia, relating to sales tax on motor fuel in certain transportation districts.

Patron—Englin

Referred to Committee on Finance

Be it enacted by the General Assembly of Virginia:

1. That § 58.1-1720 of the Code of Virginia is amended and reenacted as follows:

§ 58.1-1720. Tax on fuel sold in certain transportation districts.

A. In addition to all other taxes now imposed by law, there is hereby imposed a license or privilege tax upon every distributor who engages in the business of selling fuels at wholesale to retail dealers for retail sale in (i) any county or city that is a member of any transportation district in which a rapid heavy rail commuter mass transportation system operating on an exclusive right-of-way and a bus commuter mass transportation system are owned, operated or controlled, by an agency or a commission as defined in § 15.2-4502, or (ii) any county or city that is a member of any transportation district that is subject to § 15.2-4515 C and that is contiguous to the Northern Virginia Transportation District.

The tax shall be imposed at a rate of ~~2.4~~ 4.2 percent of the sales price charged by a distributor for fuels sold to a retail dealer for retail sale in any such county or city described in clause (i) or (ii). Such tax shall be imposed at the time of the sale by the distributor to the retail dealer. The tax imposed by this article shall be paid by the distributor, but the distributor shall separately state the amount of the tax and add such tax to the sales price or charge. Thereafter, such tax shall be a debt from the retail dealer until paid and shall be recoverable at law in the same manner as other debts.

B. Every distributor collecting the tax imposed under this article shall file a monthly return no later than the twentieth of each month on a form prescribed by the Department, covering the sale of fuels by such distributor during the preceding month, for which tax is imposed pursuant to subsection A.

For purposes of compensating a distributor for accounting for and remitting the tax levied by this article, such distributor shall be allowed to deduct two percent of the tax otherwise due in submitting his return and paying the amount due by him if the amount was not delinquent at the time of payment.

INTRODUCED

HB269