

# 2011 SESSION

## SENATE SUBSTITUTE

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### SENATE BILL NO. 1085

#### AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Senate Committee on Finance  
on January 26, 2011)

(Patron Prior to Substitute—Senator Hanger)

A *BILL to require the Department of Taxation to review certain issues relating to the local cigarette tax.*

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

1. *§ 1. That the Tax Commissioner shall convene a working group consisting of representatives selected by the Virginia Wholesalers and Distributors Association; the Virginia Retail Merchants Association; the Retail Alliance; the Virginia Petroleum, Convenience and Grocery Association; the Northern Virginia Cigarette Tax Board; the Virginia Municipal League; and those counties that levy a local cigarette tax. The working group may add other individuals to its membership as it deems necessary.*

§ 2. *The working group shall review current policies on (i) appeals of penalties related to the cigarette tax assessed on wholesalers and retailers, (ii) the desirability of having a single cigarette tax stamp for state and local taxes, (iii) methods of determining the validity of cigarette tax stamps that are only partially visible, and (iv) related issues that are identified by the working group and must be considered in order to address the issues in clauses (i), (ii), and (iii).*

§ 3. *The working group is requested to begin its work as soon as possible after the conclusion of the 2011 regular session of the General Assembly and to identify any changes to current law, regulation, or policy that it considers desirable when addressing the above issues. The working group is requested to provide a report and recommendations to the Chairmen of the Senate Committee on Finance and the House Committee on Finance by December 1, 2011.*

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