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SENATE BILL NO. 1336

Offered January 11, 2017

Prefiled January 10, 2017

A BILL to amend and reenact §§ 58.1-611.2 and 58.1-611.3 of the Code of Virginia and to amend and reenact the third enactment of Chapter 608 of the Acts of Assembly of 2007, as amended by Chapter 597 of the Acts of Assembly of 2012, relating to sales and use tax exemptions for school supplies, clothing, footwear, and computers and hurricane preparedness equipment.

Patron—Surovell

Referred to Committee on Finance

Be it enacted by the General Assembly of Virginia:

1. That §§ 58.1-611.2 and 58.1-611.3 of the Code of Virginia are amended and reenacted as follows:

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

Beginning in 2015, and ending July 1, ~~2017~~ 2022, for a three-day period that begins each year on the first Friday in August and ends at 11:59 p.m. on the following Sunday, 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; ~~and~~ (iii) ~~laptop, desktop, or tablet computers, but not computer supplies or additional, separate hardware or software items.~~ 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, ~~and each laptop, desktop, or tablet computer with a selling price of \$700 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.

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.

§ 58.1-611.3. (Expires July 1, 2017) Limited exemption for certain hurricane preparedness equipment.

Beginning in 2015, for a three-day period that begins each year on the first Friday in August and ends at 11:59 p.m. on the following Sunday, the tax imposed by this chapter or pursuant to the authority granted in § 58.1-605 or 58.1-606 shall not apply to ~~(i) portable generators used to provide light or communications or preserve food in the event of a power outage and;~~ (ii) certain other hurricane preparedness equipment, including, but not limited to, blue ice, carbon monoxide detectors, cell phone batteries, cell phone chargers, gas or diesel fuel tanks, nonelectric food storage coolers, portable self-powered light sources, portable self-powered radios, two-way radios, weather band radios, storm shutter devices, tarpaulins or other flexible waterproof sheeting, ground anchor systems or tie down kits, gas-powered chain saws and chain saw accessories, and packages of AAA cell, AA cell, C cell, D cell, 6 volt, or 9 volt batteries, excluding automobile and boat batteries. As used in this section, "storm shutter" means materials and products manufactured, rated, and marketed specifically for the purpose of preventing window damage from storms. The tax exemption shall apply to ~~each portable generator with a selling price of \$1,000 or less;~~ each gas-powered chainsaw with a selling price of \$350 or less; and each article of other hurricane preparedness equipment with a selling price of \$60 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.

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.

2. That the third enactment of Chapter 608 of the Acts of Assembly of 2007, as amended by Chapter 597 of the Acts of Assembly of 2012, is amended and reenacted as follows:

3. That the provisions of this act shall expire on July 1, ~~2017~~ 2022.

INTRODUCED

SB1336