

# VIRGINIA ACTS OF ASSEMBLY -- 2021 SPECIAL SESSION I

## CHAPTER 62

*An Act to amend and reenact § 58.1-3842 of the Code of Virginia, relating to combined transient occupancy and food and beverage tax; technical amendments.*

[S 1438]

Approved March 11, 2021

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

**1. That § 58.1-3842 of the Code of Virginia is amended and reenacted as follows:**

**§ 58.1-3842. Combined transient occupancy and food and beverage tax.**

A. Rappahannock County and Madison County, by duly adopted ordinance, are hereby authorized to levy a tax on occupancy in a bed and breakfast establishment on which the county is authorized to levy a transient occupancy tax under § 58.1-3819 and on food and beverages sold for human consumption within such establishment on which the county is authorized to levy a food and beverage tax under § 58.1-3833, when the charges for the occupancy of the room or space and for the sale of food and beverages are assessed in the aggregate and not separately stated. ~~Such~~ *The combined* tax rate shall not exceed ~~four percent of the total amount charged for the occupancy of the room or space occupied and for the food and beverages the sum of the rates authorized and enacted by ordinance pursuant to the provisions of §§ 58.1-3819 and 58.1-3833.~~ Such tax shall be in such amount and on such terms as the governing body may, by ordinance, prescribe. The tax shall be in addition to the sales tax currently imposed by the county pursuant to the authority of Chapter 6 (§ 58.1-600 et seq.). Collection of such tax shall be in a manner prescribed by the governing body. All taxes collected under the authority of this article shall be deemed to be held in trust for the county imposing the tax.

B. If a bed and breakfast establishment separately states charges for the occupancy of the room or space and for the sale of food and beverages, a transient occupancy tax levied under § 58.1-3819 and a food and beverage tax levied under § 58.1-3833 shall apply to such separately stated charges, as applicable.

C. Any tax imposed pursuant to this article shall not apply within the limits of any town located in such county, where such town now, or hereafter, imposes a town meals tax or a town transient occupancy tax on the same subject. If the governing body of any town within a county, however, provides that a county tax authorized by this article shall apply within the limits of such town, then such tax may be imposed within such towns.

D. ~~This tax shall be levied only if a food and beverage tax has been approved in a referendum within the county as provided by subsection A of § 58.1-3833. No county in which the levy of a food and beverage tax has been approved in a referendum pursuant to subsection A of § 58.1-3833 shall be required to submit an amendment to its meals tax ordinance or a further question to the voters in a referendum prior to adopting an ordinance adopting or amending the tax authorized by this article.~~

~~E.~~ Nothing herein contained shall affect any authority heretofore granted to any county to levy a food and beverage tax or a transient occupancy tax.