

LD6622198

HOUSE BILL NO. 603

Offered January 25, 1994

A BILL to amend and reenact §§ 58.1-3818, 58.1-3819 and 58.1-3833 of the Code of Virginia, and to repeal §§ 58.1-3820 and 58.1-3822 of the Code of Virginia, relating to taxes levied by counties on admissions, food and beverages, and transient occupancy.

Patrons—Davies, Abbitt, Almand, Barlow, Councill, DeBoer, Grayson, Phillips, Stump and Van Yahres

Referred to Committee on Finance

Be it enacted by the General Assembly of Virginia:

1. That §§ 58.1-3818, 58.1-3819 and 58.1-3833 of the Code of Virginia are amended and reenacted as follows:

§ 58.1-3818. Admissions tax in certain counties.

Fairfax, Arlington, Dinwiddie and Prince George Counties are hereby authorized to *Any county may* levy a tax on admissions charged for attendance at any event. ~~The tax shall not exceed ten per centum of the amount of charge for admission to any such event. Notwithstanding any other provisions of law~~ *The rate of admissions tax shall not exceed the highest rate of such tax charged by any local jurisdiction as of January 1, 1994.* The governing bodies of such counties shall prescribe by ordinance the terms, conditions and amount of such tax and may classify between events conducted for charitable and those conducted for noncharitable purposes.

§ 58.1-3819. Transient occupancy tax.

Any county, by duly adopted ordinance, may levy a transient occupancy tax on hotels, motels, boarding houses, travel campgrounds, and other facilities offering guest rooms rented out for continuous occupancy for fewer than thirty consecutive days. Such tax shall be in such amount and on such terms as the governing body may, by ordinance, prescribe; however, ~~such the rate of the transient occupancy tax shall not exceed two percent of the amount of charge for the occupancy of any room or space occupied the highest rate of such tax charged by any local jurisdiction as of January 1, 1994.~~ The tax imposed hereunder shall not apply to rooms or spaces rented and continuously occupied by the same individual or same group of individuals for thirty or more days in hotels, motels, boarding houses, travel campgrounds, and other facilities offering guest rooms.

Nothing herein contained shall affect any authority heretofore granted to any county, city or town to levy such a transient occupancy tax. ~~The county tax limitations imposed pursuant to § 58.1-3711 shall apply to any tax levied under this section, mutatis mutandis.~~

Any county, city or town which requires local hotel and motel businesses, or any class thereof, to collect, account for and remit to such locality a local tax imposed on the consumer, may allow such businesses a commission for such service in the form of a deduction from the tax remitted. Such commission shall be provided for by ordinance, which shall set the rate thereof, no less than three percent, not to exceed five percent of the amount of tax due and accounted for. No commission shall be allowed if the amount due was delinquent.

All transient occupancy tax collections shall be deemed to be held in trust for the county, city or town imposing the tax.

§ 58.1-3833. (Effective October 1, 1993) County food and beverage tax.

A. Any county is hereby authorized to levy a tax on food and beverages sold, for human consumption, by a restaurant, as such term is defined in subdivision 9 of § 35.1-1, *at a rate not to exceed eight and one-half percent, when added to the state and local general sales and use tax, of the amount charged for such food and beverages the highest rate of the food and beverage tax charged by any local jurisdiction as of January 1, 1994.* Such tax shall not be levied on food and beverages sold through vending machines or by any person described in subdivisions 1, 2, 3, and 5 of § 35.1-25, as well as nonprofit cafeterias in public schools, nursing homes, and hospitals. Grocery stores and convenience stores selling prepared foods ready for human consumption at a delicatessen counter shall be subject to the tax, for that portion of the grocery store or convenience store selling such items. The food and beverage tax levied on meals sold by grocery store delicatessens and convenience stores shall be limited to prepared sandwiches and single-meal platters.

This tax shall be levied only if the tax is approved in a referendum within the county which shall be held in accordance with § 24.1-165 and initiated either by a resolution of the board of supervisors or on the filing of a petition signed by a number of registered voters of the county equal in number to ten percent of the number of voters registered in the county, as appropriate on January 1 of the year in which the petition is filed with the court of such county. The clerk of the circuit court shall publish

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60 notice of the election in a newspaper of general circulation in the county once a week for three
61 consecutive weeks prior to the election. If the voters affirm the levy of a local meals tax, the tax shall
62 be effective in an amount and on such terms as the governing body may by ordinance prescribe.

63 The term "beverage" as set forth herein shall mean alcoholic beverages as defined in § 4.1-100 and
64 nonalcoholic beverages served as part of a meal. The tax shall be in addition to the sales tax currently
65 imposed by the county pursuant to the authority of Chapter 6 (§ 58.1-600 et seq.) of this title. Collection
66 of such tax shall be in a manner prescribed by the governing body.

67 B. Notwithstanding the provisions of subsection A of this section, any county with a population of at
68 least 70,000 but no more than 100,000, any county with a population of at least 17,910 but no more
69 than 18,000, any county with a population of at least 34,000 but no more than 34,400, and any county
70 having a county manager plan of government are hereby authorized to levy a tax on food and beverages
71 sold for human consumption by a restaurant, as such term is defined in § 35.1-1 and as modified in
72 subsection A above and subject to the same exemptions, not to exceed four percent of the amount
73 charged for such food and beverages, provided that the governing body of the respective county holds a
74 public hearing before adopting a local food and beverage tax, and the governing body by unanimous
75 vote adopts such tax by local ordinance. The tax shall be effective in an amount and on such terms as
76 the governing body may by ordinance prescribe.

77 C.B. Nothing herein contained shall affect any authority heretofore granted to any county, city or
78 town to levy a meals tax. The county tax limitations imposed pursuant to § 58.1-3711 shall apply to any
79 tax levied under this section, *mutatis mutandis*. All food and beverage tax collections and all meals tax
80 collections shall be deemed to be held in trust for the county, city or town imposing the applicable tax.

81 D. No county which has heretofore adopted an ordinance pursuant to subsection A of this section
82 shall be required to submit an amendment to its meals tax ordinance to the voters in a referendum.

83 2. That §§ 58.1-3820 and 58.1-3822 of the Code of Virginia are repealed.