



Analysis of House Bill 2313 Transportation Funding as Passed House and Senate

Hampton Roads Transportation District Defined

Section 33.1-23 5:3

Page 4

Lines 239-241

The Hampton Roads Region is defined as the Counties of Gloucester, Isle of Wight, James City and York and the cities of Chesapeake, Hampton, Newport News, Norfolk, Poquoson, Portsmouth, Suffolk, Virginia Beach and Williamsburg.

Additional Sales Tax Statewide

Section 58.1-603

Page 9

Line 527

Imposes an additional .3 percent sales tax statewide.

Additional Sales tax in Northern Virginia and Hampton Roads

Section 58.1-603.1

Pages 9 and 10

Lines 538 thru 562

Establishes an added sales tax of .07 percent, except on food.

Vending Machine Sales

58.1-614

Page 18

Lines 1087-1090

Vending machine sales tax increased from five percent to 5.3 percent of the wholesale price, except machines in Hampton Roads and Northern Virginia will be taxed at 6 percent of the wholesale price.

Northern Virginia Grantors Tax

Section 58.1-802.2

Page 26

Lines 1548-1564

Imposes a grantors tax of .25 per \$100 for real estate transactions in Northern Virginia.

Northern Virginia Transient Occupancy Tax

Section 58.1-1742

Page 27 & 28

Lines 1654 thru 1665

Levies a 3% tax on hotel room stays in Northern Virginia

Alternative Vehicle Definition

Section 58.1-2201

Page 28

Lines 1671-1674

Defines an alternative fuel vehicle as one that is “equipped to be powered by a combustible gas, liquid or other source of energy that can be used to generate power to operate a highway vehicle, and that neither motor fuel nor electricity is used to recharge an electric motor vehicle or a hybrid electric motor vehicle.

Changing the Motor Fuel Rate to a Percentage and Indexing

Section 58.1-2217

Page 31

Lines 1855- 1866

Beginning July 1, 2013 the tax rate (for gasoline) shall be 3.5 percent of the statewide average wholesale price of a gallon of self-serve regular unleaded gasoline for the applicable base period, excluding federal and state excise taxes as determined by the Commissioner. In computing average wholesale price for a gallon of self serve unleaded regular gasoline the Commissioner shall use the period from December 1 through May 31 for such determination for the immediately following period beginning July 1 and ending December 31 inclusive. The period from June 1 through November 30 shall be the next base period for the immediately following period beginning January 1 and ending June 30 inclusive. In no case shall the average wholesale price computed for purposes of this section be less than the statewide average wholesale price of a gallon on self serve unleaded regular on February 20, 2013.

New Diesel Tax

Section 58.1-2217

Page 31

Lines 1868 thru 1877

Beginning July 1, 2013 the tax rate (for diesel) shall be six percent of the statewide average wholesale price of a gallon of self serve diesel for the applicable base period, excluding federal and state excise taxes, as determined by the Commissioner.

In computing the average wholesale price of a gallon of self-service diesel fuel the Commissioner shall use the period from December 1 through May 31 inclusive which shall be the base period for such determination for the immediately following period beginning July 1 and ending December 31, inclusive. The period from June 1 through November 30 shall be the next base for the immediately following period beginning January 1 and ending June 30, inclusive. In no case shall the average wholesale price computed for purposes of this section be less than the average wholesale price of a gallon of self-serve diesel on February 20, 2013.

Petroleum Storage Tank Fund Retained

Section 58.1-2217

Page 32

Lines 1908-1910

The provisions of this chapter related to the administration, enforcement, penalties and record keeping of the taxes imposed herein shall also apply to the collection of the storage tank fee.

Extension of Dates of Remission for Fuel Tax

Section 58.1-2230

Page 32

Lines 1945-1947

Any return and payment required under this section for purchases made on or after May 1, 2013 shall be deemed timely filed if received by the Commissioner by midnight of the 20th day of the sixth month succeeding the month for which the return and payment are due.

Expedited Refunds for Higher Taxed Product in Inventory

Section 58.1-2230

Page 32

Lines 1948 and 1949

Beginning July 1, 2013, there shall be expedited refunds for the tax differential for product in inventory.

Tax Rate for Alternative Fuel Vehicles

Section 58.1-2249

Page 32

Lines 1950-1956

New Fee on Hybrid and Alternative Vehicles

Section 58.1-2249

Page 33

Lines 1962-1966

A fee of \$100 is established on hybrid electric motor vehicles and alternative fuel vehicles.

Refund for Diesel Tax on Cars and Light Trucks

Section 58.1-2259

Page 35

Lines 2114-2118

Any person purchasing diesel fuel used in operating or propelling a passenger car, a pickup or panel truck, or a truck having a gross vehicle rating of 10,000 pounds or less is entitled to a refund of a portion of taxes paid in an amount equal to a 2.5 percent tax rate on such fuel.

New Fuels Tax in Hampton Roads

Section 58.1-2295

Page 36

Lines 2203-2206

In addition to all other taxes now imposed by law, there is hereby imposed a 2.1 percent tax on a distributor who engages in the business of selling fuels at wholesale to retail dealers for retail sale in any county or city in Hampton Roads as defined by 33.1-23.5:3

Increased Tax on Motor Vehicle Sales

Section 58.1-2402

Page 38

Lines 2281 thru 2283

Increases the sales tax on motor vehicles from 3 percent to 4 percent on July 1, 1013, 4.1 percent July 2014, 4.2 percent July 2015 and 4.3 percent July 2016.

Trigger for Higher Fuels Tax Rate if Congress has not Passed Legislation Granting Virginia the Authority to Collect Sales Taxes on Internet Sales

Section 58.1-2708

Page 40

Lines 2412-2434

If this new taxing authority is not granted by Congress, the wholesale tax on gasoline will increase from 3.5 percent to 5.1 percent on July 1, 2015.