



# GENERAL ASSEMBLY UPDATE



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## Local Gas Tax Legislation

Last evening the Virginia Senate Finance subcommittee passed legislation ([SB 583](#)) that would impose the 2.1% local gas tax in all jurisdictions along the interstate 81 corridor. If the legislation passes, over 75 percent of the population of Virginia will be living in an area with added taxes, setting up a patchwork quilt of fuels taxes favoring some locations, but not others. Last night we argued that we do not favor expanded local taxes, but if this was going to be considered it should be done as a statewide policy. Adding I-81 locations only will lead to confusion among regulators, the motoring public, and the petroleum marketing industry.

At the same time the committee did vote to change the collection of the tax in Hampton Roads and Northern Virginia to a cents per gallon rate, a change that we requested. The ultimate fate of fuels tax issues will likely not be decided until the final days of the session.

More to come.