

SB 1425

ROUND TABLE DISCUSSION





I'm Just a Bill...

► <https://www.youtube.com/watch?v=FFroMQIKiag&t=30s>

Introduced

2019 SESSION

INTRODUCED

19102489D

SENATE BILL NO. 1425

Offered January 9, 2019

Prefiled January 8, 2019

A BILL to amend the Code of Virginia by adding a section numbered 58.1-3715.1, relating to local license tax; mobile food units.

Patron—Dunnavant

Referred to Committee on Finance

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding a section numbered 58.1-3715.1as follows:

§ 58.1-3715.1. License requirements for mobile food units.

A. For purposes of this section, "mobile food unit" means a restaurant that is mounted on wheels and readily moveable from place to place at all times during operation.

B. When the owner of a mobile food unit has paid any license tax required by the county or city in which the mobile food unit is registered and in which property taxes are paid on the mobile food unit, no further license or license tax shall be required by any other county, city, or town for conducting any such business within the confines of the Commonwealth.

INTRODUCED

Senate Substitute

2019 SESSION

SENATE SUBSTITUTE

19105609D

SENATE BILL NO. 1425

FLOOR AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by Senator Dunnavant

on January 24, 2019)

(Patron Prior to Substitute—Senator Dunnavant)

A BILL to amend the Code of Virginia by adding a section numbered 58.1-3715.1, relating to local license tax; mobile food units.

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding a section numbered 58.1-3715.1 as follows:

§ 58.1-3715.1. License requirements for mobile food units.

A. For purposes of this section, unless the context requires a different meaning:

"Mobile food unit" means a restaurant that is mounted on wheels and readily moveable from place to place at all times during operation.

"New business" means a business that locates for the first time to do business in a locality. A business shall not be deemed to be a new business based on a merger, acquisition, similar business combination, name change, or change to its business form.

B. If the owner of a new business that operates a mobile food unit pays the license tax required by the county or city in which the mobile food unit is registered, such owner shall not be required to pay any further license tax imposed by any other locality for conducting business from such mobile food unit in the confines of such other locality. The exemption from paying the license tax in other localities shall expire two years after the payment of the initial license tax in the locality in which the mobile food unit is registered, and during the two-year period, the owner shall be entitled to exempt up to three mobile food units from license taxation in other localities.

C. The owner of a mobile food unit shall be required to register with the commissioner of the revenue or director of finance in any locality in which he conducts business from such mobile food unit, regardless of whether the owner is exempt from paying license tax in the locality pursuant to the provisions of this section.

SENATE

House Amendment

(SB1425)

AMENDMENT(S) PROPOSED BY THE HOUSE

FINANCE

1. Line 18, engrossed, after *the* [first instance]

strike

county or city

insert

locality

House Vote

floor: 02/18/19 House: VOTE: PASSAGE (62-Y 34-N 2-A)

YEAS--Adams, D.M., Adams, L.R., Aird, Austin, Bagby, Bell, John J., Bell, Robert B., Bourne, Byron, Carr, Collins, Convirs-Fowler, Davis, Delaney, Edmunds, Filler-Corn, Fowler, Freitas, Garrett, Gilbert, Gooditis, Guzman, Head, Helsel, Heretick, Hurst, James, Jones, J.C., Jones, S.C., Keam, Kilgore, Knight, Landes, LaRock, Lindsey, McGuire, McQuinn, Miyares, Morefield, Mullin, Murphy, O'Quinn, Peace, Pillion, Plum, Pogge, Ransone, Rasoul, Reid, Rush, Sickles, Stolle, Sullivan, Torian, Toscano, Turpin, VanValkenburg, Ware, Watts, Weibert, Yancey, Mr. Speaker--62.

NAYS--Ayala, Bell, Richard P., Bloxom, Brewer, Bulova, Campbell, J.L., Campbell, R.R., Carroll Foy, Carter, Cole, Fariss, Herring, Hodges, Hope, Hugo, Ingram, Kory, Krizek, Leftwich, Levine, Lopez, Marshall, Orrock, Poindexter, Price, Robinson, Rodman, Roem, Simon, Thomas, Tran, Tyler, Ward, Wilt--34.

ABSTENTIONS--McNamara, Wright--2.

NOT VOTING--Hayes--1.

Delegate Robinson was recorded as nay. Intended to vote yea.
Delegate Wright was recorded as abstaining. Intended to vote nay.
Delegate Hayes was recorded as not voting. Intended to vote yea.

Impact Statement – Fiscal Implications

8. Fiscal implications:

Administrative Cost

This bill could result in unknown administrative costs to localities that impose a BPOL tax or fee. It would have no impact on state administrative costs.

Revenue Impact

This bill could have an unknown revenue impact on localities that impose a BPOL tax or fee. It would have no impact on state revenues.

Discussion



Food Truck Affidavit

SB1425 License tax, local; mobile food units

SUMMARY AS PASSED:

Local license tax; mobile food units. Provides that when the owner of a mobile food unit, defined as a restaurant mounted on wheels and readily moveable at any time during its operation, pays a license tax in the locality in which the mobile food unit is registered, no other license shall be required in any other locality in the Commonwealth. The exemption from paying the license tax in other localities will expire two years after the payment of the initial license tax in the locality in which the mobile food unit is registered. During the two-year exemption period, the owner may exempt up to three mobile food units from license taxation in other localities. Regardless of any license tax exemption, the owner must register with the commissioner of the revenue or director of finance in any locality in which he conducts business.

§ 58.1-3715.1. License requirements for mobile food units.

A. For purposes of this section, unless the context requires a different meaning:

"Mobile food unit" means a restaurant that is mounted on wheels and readily moveable from place to place at all times during operation.

"New business" means a business that locates for the first time to do business in a locality. A business shall not be deemed to be a new business based on a merger, acquisition, similar business combination, name change, or change to its business form.

B. If the owner of a new business that operates a mobile food unit pays the license tax required by the locality in which the mobile food unit is registered, such owner shall not be required to pay any further license tax imposed by any other locality for conducting business from such mobile food unit in the confines of such other locality. The exemption from paying the license tax in other localities shall expire two years after the payment of the initial license tax in the locality in which the mobile food unit is registered, and during the two-year period, the owner shall be entitled to exempt up to three mobile food units from license taxation in other localities.

C. The owner of a mobile food unit shall be required to register with the commissioner of the revenue or director of finance in any locality in which he conducts business from such mobile food unit, regardless of whether the owner is exempt from paying license tax in the locality pursuant to the provisions of this section.

COMMISSIONER OF THE REVENUE USE ONLY:

Owner's Name: _____

Business Name: _____

Mailing Address: _____ Locality Unit is registered: _____

Start Date (above locality): _____ Affidavit Expiration Date: _____

It is my understanding that my business was granted a two-year exemption of the business license requirement in the City of Norfolk based on Senate Bill 1425: License tax, local; mobile food units.

- I understand that I am responsible for presenting my current year business license from the locality where the mobile unit is registered along with this signed affidavit upon request.
- I understand that my responsibilities include posting a meal tax bond with the City of Norfolk and reporting monthly gross receipts to the City of Norfolk no later than the 20th day of the month following collections.
- I understand that upon expiration date of this affidavit, I am aware that I must obtain a business license with the City of Norfolk no later than March 1st of the following calendar year.

Signature: _____ Date: _____