

CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA



Agenda Date:	September 20, 2021
Action Required:	Approval of Amended Meals Tax Ordinance
Presenter:	Todd Divers, Commissioner of the Revenue
Staff Contacts:	Todd Divers, Commissioner of the Revenue
Title:	ORDINANCE TO AMEND AND REENACT ARTICLE X OF CHAPTER 30 (MEALS TAX) OF THE CODE OF THE CITY OF CHARLOTTESVILLE (1990)

Background:

Chapter 30, Article 287 of the Charlottesville City Code, containing the City's meals tax provisions, requires a change to clarify the language related to reporting requirements in the event that no tax is due.

Discussion:

The proposed amendment strengthens the language requiring that a meals tax return be submitted to the Commissioner of the Revenue each month regardless of whether tax is due or not. This is already our longstanding practice, but we believe that extra specificity is warranted. Requiring a zero return in such instances aligns with the Department of Taxation's practices with respect to sales tax reporting and is necessary in order to efficiently distinguish between delinquent taxpayers and those who legitimately had no sales to report. This change also aligns with a similar amendment proposed for the transient occupancy tax ordinance.

Alignment with City Council's Vision and Strategic Plan:

n/a

Budgetary Impact:

This change will have no impact on revenue.

Recommendation:

Approval the ordinance amendments.

Alternatives:

n/a

Attachments:

Ordinance to Amend and Reenact Chapter 30 (Taxation), Article X (Meals Tax) of the Code of the City of Charlottesville (1990), as Amended, to Clarify that Meals Tax Reports are Due from the Sellers to the City Every Month

ORDINANCE

TO AMEND AND REENACT CHAPTER 30 (TAXATION), ARTICLE X. (MEALS TAX) OF THE CODE OF THE CITY OF CHARLOTTESVILLE (1990), AS AMENDED, TO CLARIFY THAT MEALS TAX REPORTS ARE DUE FROM SELLERS TO THE CITY EVERY MONTH

BE IT ORDAINED by the Council of the City of Charlottesville, Virginia, that the provisions of Chapter 30, Article X, Section 30-287 are hereby amended and reenacted, as follows:

Sec. 30-287. - Registration of sellers; reports and remittances generally.

The commissioner of revenue may require all prospective sellers of meals licensed to do business in the city to register for collection of the tax imposed by this article. Every seller shall make a report for each calendar month, showing the amount of charges collected for meals and the amount of tax required to be collected. The monthly reports shall be made on forms prescribed by the commissioner and shall be signed by the seller. They shall be delivered to the commissioner on or before the 20th of the calendar month following the month being reported. Each report shall be accompanied by a remittance of the amount of tax due, made payable to the city treasurer. **A report shall be filed every month, even in cases where no tax is due.** The commissioner shall promptly transmit all taxes received to the city treasurer.