

1 **AN ORDINANCE TO AMEND CHAPTER 58, TAXATION, OF THE CODE OF THE COUNTY OF**
2 **WASHINGTON, VIRGINIA, TO ADD ARTICLE X, DIVISION 1 FOR ADMISSIONS TAX**
3

4 **WHEREAS**, Section 58.1-3818.03 of the Code of Virginia enabled Washington County to
5 impose a tax not to exceed 10 percent of the amount of charge for admission to (i) a multi-sports
6 complex and (ii) an entertainment venue if such complex or venue, or both, (a) is located on all
7 or part of a parcel of land or on adjacent parcels of land containing at least 250 acres and (b) is
8 in business on or before June 30, 2027;

9 **WHEREAS**, development of a certain multi-sports complex and entertainment venue
10 located on all or part of a parcel of land or on adjacent parcels of land containing at least 250
11 acres is anticipated and, if so developed, would cause added expense to the County for
12 infrastructure development and emergency services to serve such development; and

13 **WHEREAS**, pursuant to Code of Virginia § 15.2-1428, no ordinance imposing taxes shall
14 be passed except by a recorded affirmative vote of a majority of all members elected to the
15 governing body.

16 **NOW, THEREFORE, ON THE BASIS OF THE FOREGOING**, and in consideration of the best
17 interests of the public health, welfare, and safety, and having held a public hearing on this
18 proposed ordinance, the Board of Supervisors of the County of Washington, Virginia hereby
19 ordains the following:

- 20 1. That this ordinance shall be deemed effective immediately upon its adoption by the Board;
21
22 2. That should any section or provision of this ordinance be decided to be invalid or
23 unconstitutional by a court of competent jurisdiction, such decision shall not affect the
24 validity or constitutionality of any other section or provision of this ordinance or the
25 Washington County Code; and
26
27 3. That Chapter 58.1 of the Code of the County of Washington, Virginia (2002, as amended) shall
28 be revised as set forth herein, subject to Article, Division, Section, and Subsection titles and
29 numbers amendment by the Editor as necessary for Code consistency. New language is
30 indicated by underline, and deletions are indicated by strikethrough.
31

1 **Chapter 58 - TAXATION**

2 **ARTICLE X. – MISCELLANEOUS TAXES**

3
4 **Division 1. Admissions tax.**

5
6 **Sec. 58-331. Imposed, amount.**

- 7 a. A tax is hereby imposed on the charge paid for admission to an event held in any (i) multi-
8 sports complex or (ii) entertainment venue, or both, if such complex or venue, or both (a) is
9 located on all or part of a parcel of land or on adjacent parcels of land, containing at least 250
10 acres and (b) is in business on or before June 30, 2027.
- 11 b. The tax on the charge paid for admission shall be in the amount of ten percent of the charge
12 paid for admission, exclusive of any governmental tax or fee added to the charge paid for
13 admission. The charge paid for admission shall include any payment made for season tickets,
14 whether obtained by contributions or subscription; any cover charge or other charge paid for
15 the use of seats or tables, reserved or otherwise; and any other form of payment required for
16 admission to see or participate in an event as defined in this division. When a person is
17 admitted free and a service charge is paid, the service charge shall be considered as a charge
18 paid for admission.
- 19 c. The provisions of this division shall expire on July 1, 2027, if no such multi-sports complex or
20 entertainment venue, or both, is in business in Washington County on or before June 30, 2027.

21 State law reference-- Washington County admissions tax, Code of Virginia, §58.1-3818.03.

22 **Sec. 58-332. Applicability.**

- 23 a. Events subject to the tax on the charge paid for admission shall mean admission to any
24 performance, exhibition, entertainment, participation, or other occasion, taking place in a
25 multi-sports complex or entertainment venue, or both, as described in this division whether
26 occurring sporadically or on a regular basis, for which an admission fee or cover charge is
27 required to allow attendance or participation, or both. Examples of such events are, without
28 limitation: amusement park, amusement ride, athletic or other competitions, athletic or other
29 type of exhibition, athletic park, carnival, circus, concert, dance, music or other type of festival
30 or performance, recreation park, water park, and/or other entertainments, happenings, or
31 gatherings.
- 32 b. Events at movie theaters shall not be subject to the admissions tax.

1 c. An admissions tax shall not be collected on admission to an event, provided that the purpose
2 of the event is solely to raise money for charitable purposes and that the net proceeds derived
3 from the event will be transferred to an entity or entities that are exempt from sales and use
4 tax pursuant to Code of Virginia § 58.1-609.11.

5 State law reference-- Exemption for charitable purpose events, Code of Virginia, §58.1-3818(D).

6 **Sec. 58-333. Collection and remittance; records.**

7 a. Each person liable for the payment of the admissions tax imposed by this division shall collect
8 said tax on behalf of the county from the person paying for admission as provided in this
9 division and shall pay the same to the treasurer, within ten calendar days after each event,
10 except for events that are held on a regular basis, for which remittance of the admissions tax
11 imposed hereunder shall be made monthly and shall be paid to the treasurer within ten
12 calendar days after the last day of the month in which such events occurred.

13 b. The taxes required to be collected by this division shall be deemed to be held in trust by the
14 person required to collect the taxes until such taxes are remitted to the county.

15 c. Each operator shall keep complete records showing the number of tickets sold and the number
16 of persons attending. Such records shall be available for audit by the commissioner of revenue
17 or treasurer at all times before, during, and for six years following each event.

18 d. Audit of the taxpayer's records may, at the taxpayer's option, be performed in the taxpayer's
19 local business office if the records are maintained there. If the records are maintained outside
20 this jurisdiction or if the taxpayer opts not to have such audit performed in the taxpayer's local
21 business office, the taxpayer shall send copies of the appropriate books and records to the
22 county office upon demand by the commissioner of revenue or treasurer.

23 e. The commissioner of revenue may require prospective collectors of the admissions tax to
24 register for the collection of the tax imposed by this division.

25 f. Every person collecting the admission tax shall complete a report, setting forth such
26 information as the commissioner or revenue or treasurer may prescribe and the following
27 information: the amount of admission charged to each event; the total amount of admission
28 charges collected, exclusive of governmental taxes and fees; and the amount of tax from the
29 admission charge for which such person is liable. Such person shall sign and deliver the report
30 to the treasurer with the remittance of such tax.

31 g. Duty of person going out of business. Whenever any person required to collect and pay to the
32 county the tax imposed in this division quits or otherwise disposes of the business, the tax

1 payable under this division shall become immediately due and payable and such person shall
2 immediately make a report and pay all such tax due.

3
4 **State law reference— Setting due dates. Code of Virginia, §§ 58.1-3916.**

5
6 **Sec. 58-334. Enforcement.**

- 7 a. Anyone who willfully fails to collect and pay the admissions tax imposed hereunder or who
8 makes a false statement with intent to defraud in such returns shall be guilty of a Class 3
9 misdemeanor if the amount of the tax lawfully assessed in connection with the return is
10 \$1,000 or less, or (ii) a Class 1 misdemeanor if the amount of the tax lawfully assessed in
11 connection with the return is more than \$1,000. Each failure, refusal, neglect or violation, and
12 each day's continuance thereof, shall constitute a separate offense.
- 13 b. Failure to collect or pay the admission tax herein imposed shall cause the event operator to
14 be personally liable for the same.
- 15 c. Interest at the rate of 10 percent per annum upon the principal and penalties shall commence
16 to accrue on any past-due amount on the first day following the day such tax payment is due.
17 A penalty of ten percent for failure to pay the admission tax when due shall also be assessed
18 for the first month the taxes are past due, and five percent for each month thereafter, up to a
19 maximum of 25 percent of the taxes collected but not remitted or \$10, whichever is greater,
20 provided, however, that the penalty shall in no case exceed the amount of the delinquent
21 amount of tax. The treasurer shall have the right to waive interest and penalty upon a
22 determination that the failure to pay on the due date was due to excusable neglect.
- 23 d. If any person shall fail or refuse to collect the tax imposed by this division and to make, within
24 the time provided in this division, any report of the remittance required by this division, the
25 treasurer shall obtain facts and information on which to base an estimate of the tax due and
26 shall assess against such person the tax and penalties provided for by this division based on
27 such facts and information. The treasurer shall notify such person, by certified mail, of the
28 total amount of such tax, interest and penalties and the total amount so assessed shall be
29 payable within ten days from the date of such notice.
- 30 e. Where any tax assessed pursuant to this division is delinquent and unpaid for a period of 30
31 days from the date the tax is due, the treasurer shall add a \$30.00 administrative fee for taxes
32 collected subsequent to 30 days after notice of delinquent taxes but prior to the taking of any
33 judgment with respect to such delinquent tax and \$35 for taxes collected subsequent to
34 judgment, in addition to all penalties and interest owing thereon. In addition, such person

Proposed Ordinance

To be considered by the Washington County, Virginia, Board of Supervisors
After Public Hearing Scheduled for its regular meeting on February 12, 2019

1 shall pay reasonable attorney's or collection agency's fees, not to exceed 20 percent of the
2 delinquent tax bill. Attorney's fees and collection agency fees pursuant to this section shall
3 be added only if such fees are incurred by the county upon filing pleadings for judgment for
4 recovery of such delinquency.

5 f. No tax assessment or tax bill shall be deemed delinquent and subject to the collection
6 procedures, interest, penalties, and other fees prescribed herein during the pendency of any
7 administrative appeal of such amount pursuant to state law so long as the appeal is filed
8 within 90 days of the date of the assessment, and for 30 days after the date of the final
9 determination of the appeal.

10
11 **State law reference— Willful non-payment, setting due dates, penalty, interest, and fees. Code**
12 **of Virginia, §§ 58.1-3906, 58.1-3907, 58.1-3916, 58.1-3918, 58.1-3958.**