

## **Survey of the Fairfax County Democratic Committee Submitted by Rex Simmons, FCDC Representative**

*The following survey was emailed to all members of the Fairfax County Democratic Committee (FCDC) to collect their views on a meals tax referendum. The survey was conducted from May 23, 2014, through May 28, 2014. A total of 160 responses were received. The number of responses varied by question.*

Dear FCDC Member:

FCDC is participating in a task force appointed by Board of Supervisors Chairman Sharon Bulova to consider putting a referendum on the ballot for voters to decide whether Fairfax County should have a meals tax.

Your responses to this short survey will help the FCDC representative on the task force express opinions that reflect the views of our members. Please complete the survey by midnight, May 28 to provide information in time for the next task force meeting. It takes about 6 minutes to complete.

FCDC's representative is one of over 40 appointed to the task force to advise the Board of Supervisors. The task force report is due on June 17, 2014, and it will probably contain many options for the Board of Supervisors to consider.

### **Background**

A meals tax is a tax imposed on the purchase of all prepared food and beverages at restaurants and other facilities. It does not apply to groceries, unless they are ready-to-eat items such as you would purchase at a deli counter.

The General Assembly requires Virginia counties to obtain voter approval in a referendum before levying a meals tax and limits the meals tax rate to 4 percent of the purchase price. Forty-seven of Virginia's 95 counties have already approved a meals tax. A meals tax would be in addition to a 6 percent sales tax already levied on meals in Fairfax County. On a \$5 "fast food" meal, the meals tax would be 20 cents. On a \$50 meal at a "nice restaurant," the meals tax would be \$2.

County staff estimate the revenue that could be raised from a meals tax would add \$90 million annually to Fairfax County's revenue, or about 2.4 percent of the total revenue collected. County staff also estimate that approximately 28 percent of meals expenditures in Fairfax County are generated by non-residents like commuters and tourists. Revenue from the meals tax may be restricted for specific uses (e.g., public schools, libraries, or parks) or may be unrestricted and allocated at the discretion of the Board of Supervisors.

## FCDC Member Survey

1. Please check the answer that best describes your opinion about having a referendum for voters to approve or disapprove a meals tax. Check one.  
**[160 responses received]**

\_\_\_ I support having a referendum for voters to authorize or not authorize the Board of Supervisors adding a meals tax up to 4 percent in Fairfax County.

**[139, or 86.8% chose this response]**

\_\_\_ I do not support having a referendum on the meals tax. Please explain your reason. \_\_\_\_\_

**[21, or 13.1% chose this response]**

I sometimes eat out in DC for lunch or dinner (I work in DC) and it always annoys me that there is an additional 10% tacked on to the bill for taxes. The Fairfax meal tax would amount to the same 10% (6% already existing plus the additional). Not sure if that would reduce my eating out, but it would stick in my memory, just like DC. Seems I pay more in DC than necessary so I feel they are just sticking it to the federal workers and tourists just because they can. Sore spot for me.

I would only support this tax if were restricted to public schools, not parks, not libraries and certainly not charter schools or adult education. Specifically restricted to K-12 public schools.

We elect representatives to make these decisions.

Increase the income tax state wide. This will tax poor people too much.

There should be no meals tax, period. It hits lower income people the hardest. Those without a home, who need to eat cheap food in fast food places, are hit hardest, just as the sales tax hits the poorer people in society. Let the Board place an income tax on the higher income people .. over a million dollars. How much would that bring in?

I do not support having a referendum on the meals tax!!! The meals tax would have a significant impact on the amount the middle class will spend and forget about the poor. It's a terrible idea. Remember it's the middle class that drive an economy. It's makes clear that poor people will be the principal victims of the New Deal-Meals Tax!!!

Need to diversify tax base

I actually do support the referendum, but not this year. It will hurt John Foust to have it on the ballot this November. I think it will have far less impact on our Democratic candidates next year.

I don't support a meals tax. It isn't good for the restaurant business. I know that we will eat out less and expect others will, too.

Our taxes are exorbitant we should be working on reducing the number of taxes not increasing them. Food is a life necessity it should not be taxed. I oppose the imposition of a meals tax.

I think 4 percent is too much. 10% total is a lot. How about 2%?

I am uncertain how the referendum would be worded. For instance, how will this extra money be used by the County? Is this just another source of funds with a particular "digestible" title attached

to it? And the fact that 47 other counties also have this meal tax--is that supposed to add to its authority? It seems specious to me. And I'm all for paying more taxes, as I don't think we pay enough. But why are we creating another kind instead of raising the rates on existing taxes paid?

Personally, I don't Referenda and Initiatives. We elect our officials to represent us; Referenda and Initiatives skew the "process." They take issues which should be studied, reviewed and voted on our elected representatives, and subject them to the "whims of the electorate" - which may not be representative of the electorate as a whole. When an issue is voted on by the Board of Supervisors, at least I know that the County as a whole was represented. When an issue is voted on in a referendum, "Special Interests" can more easily sway those who vote with distortions and misrepresentations. Also, now that the Tea Party has added "Taxes" to George Carlin's "Seven Words You Can't Say..." I expect a Meals Tax Referendum to lose. Especially, in 2014, maybe somewhat less so in 2015; and it will have a chance of passing only in 2016, when the "maximum" electorate votes, if then. It could be a decade before the electorate votes responsibly on taxes issues again.

I am a proponent for no taxation on food and medicines!

I think the proposed tax on meals is a regressive way to raise funds. Much prefer to develop a tax to tap those in income brackets not currently paying their "fair share."

By ffx county's own estimates, 72 percent of meal expenditures are generated by ffx county residents. We do not have the same number of tourists and visitors like Arlington county. This will predominantly affect ffx county residents and we already pay a LOT for taxes.

2. If Fairfax County had a meals tax referendum on the ballot, which of the following best describes how you think the additional tax revenues should be used? Check one. **[154 responses received]**

Do not designate a specific purpose for the revenue generated by the meals tax and let the Board of Supervisors decide each year during the budget process how to use the meals tax revenue.  
**[77, or 50% chose this response]**

Designate that the revenue generated by a meals tax will be used for a specific purpose.  
**[77, or 50% chose this response]**

3. If the meals tax referendum specifies how the increased revenue would be used, which of the following county services do you think should receive the meals tax revenue? Check all that apply. **[148 responses received]**

Schools **[124, or 83.8% chose this response]**

Public Safety (includes firefighters, police, & sheriff) **[51, 34.4%]**

Parks & Recreation **[37, 25.0%]**

Libraries **[47, 31.7%]**

\_\_\_ Health & Social Services [77, 52.0%]

\_\_\_ Other services. Please specify. \_\_\_\_\_  
[Transportation 5, 3.3%; Reduce real estate tax 2, 1.3%; Tysons Expo Center, General fund, Food pantries, Mental health services, Diversify revenue, Infrastructure, Housing fund, Needy & homeless, 1 each or .6%]

4. When do you think is the best time to place a meals tax referendum on the ballot for voters to consider? Check one. [119 responses]

\_\_\_ November 2014 General Election [77, or 64.7%]

\_\_\_ November 2015 General Election. [28, or 23.5%]

\_\_\_ Another date. Please specify. \_\_\_\_\_  
[11, or 9.2% said November 2016. 3 other responses, 2.5%]

5. Which of the following best describes how frequently you dine out in restaurants or other establishments during an average week? Check only one. [153 responses]

\_\_\_ More than 5 times a week [18, 11.7%]

\_\_\_ 3 to 5 times a week [47, 30.7%]

\_\_\_ 1 or 2 times a week [63, 41.1%]

\_\_\_ Less than once a week [25, 16.3%]

6. If Fairfax County adds a 4 percent meals tax, to what extent do you believe the meals tax would affect the frequency that you dine out? Check one. [156 responses]

\_\_\_ I would dine out about the same if there was a meals tax. [135, 86.5%]

\_\_\_ I would dine out slightly less often if a there was a meals tax. [9, 5.7%]

\_\_\_ I would dine out much less often if a there was a meals tax. [12, 7.6%]

7. If Fairfax County adds a 4 percent meals tax, what impact do you think it would have on the amount you spend on food and beverages when you dine out. Check one. [158 responses]

\_\_\_ The meals tax would have little or no impact on the amount I spend.  
**[136, 86.0%]**

\_\_\_ The meals tax would have some impact on the amount I spend.  
**[11, 6.9%]**

\_\_\_ The meals tax would have a significant impact on the amount I spend.  
**[11, 6.9%]**

**8. What Fairfax County district do you live in? Check one. [157 responses]**

- \_\_\_ Braddock **[19, 12.1%]**
- \_\_\_ Dranesville **[13, 8.3%]**
- \_\_\_ Hunter Mill **[19, 12.1%]**
- \_\_\_ Lee **[13, 8.3%]**
- \_\_\_ Mason **[20, 12.7%]**
- \_\_\_ Mount Vernon **[24, 15.3%]**
- \_\_\_ Providence **[27, 17.2%]**
- \_\_\_ Springfield **[10, 6.4%]**
- \_\_\_ Sully **[12, 7.6%]**

**9. Please provide any other comments you wish to make about a meals tax referendum in the space.**

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Every year, our public schools go through a debilitating struggle for more funding. Yet every year, the list of unfunded or underfunded items gets longer. Did you know there are 1,100+ classrooms operating out of trailers because we are at the limit of bond money? Did you know that for the past 5 years, teachers and other education professionals in FCPS have received slim if no raises? Yet our public schools are said to be a primary reason people and businesses reside in Fairfax County . Our schools and our social services programs need a dedicated funding source - - a meals tax. It should not be a slush fund for Sharon Bulova and the Supervisors.

I do think the Supervisors should pass this on their own.

Go for it! If you eat at a restaurant in Arlington or Alexandria you'll pay a meals' tax. Everyone wants more services from the county but resist more taxes. Meals Tax seems a sensible way to add resources without imposing it on homeowners. We just returned from TN and the meals tax there is MUCH higher than is being proposed for Fairfax County.

I am not some tea bag conservative but I do like taxes collected as close as possible from the beneficiary of those taxes. Gas tax for roads, property tax for schools and income tax for government operations including social services. Fees (another form of tax) is paid for specific services and that is appropriate. I do not like all these other regressive sales taxes but I do understand that the government needs money and so they look for ways to collect it that many people will not notice. My support for this tax is limited. If it is not designated for K-12 public schools I will not support it.

I would ONLY support the meals tax if it is designated for Specific uses!

The nearby cities of Arlington and Alexandria already have a 4% meal tax, and their restaurants don't seem any less crowded than the ones in Fairfax County.

Increase the income tax statewide.

I think that additional taxes are easier to sell if they are reserved for specific services, such as education.

Again, the richer people love the sales tax, as it is such a minor portion of their income. Poor people suffer more from a sale tax, regardless of where it is placed, than richer people. Raise the property tax rate a small fraction, rather than hit poorer people

Would be nice to exempt food trucks, sole proprietor diners grossing less than \$100,000/yr, church dinners

i believe the meals tax must be a dedicated source of ADDITIONAL funding for our schools. However, I would not want to see "negative offsets" from the County revenue transfer when the meals tax is imposed. This should be supplemental schools funding. If we want great schools, we have to find ways to pay for them.

Our schools need additional funding if they are to address the 21st century learning needs of all their students. The number of students in Fairfax will probably continue to increase for the indefinite future. Teachers need higher salaries. Fairfax needs well educated workers now and in the future. Our schools need the additional funding NOW that a meals tax will provide. I suggested waiting until November 2016 due to the belief it will increase the possibility of the tax being approved in a referendum.

This is a no brainer. The Board of Supervisors should have done this 10 years ago. FCPS is being starved by them. Put is on the ballot. Push is aggressively. Stop acting like Republicans. Our schools are being surpassed by others all around the state.

Mental health services could benefit from increased funding.

I do not support having a referendum on the meals tax!!! The meals tax would have a significant impact on the amount the middle class will spend and forget about the poor. It's a terrible idea. Remember it's the middle class that drive an economy. It's makes clear that poor people will be the principal victims of the New Deal-Meals Tax!!!

Seems a straight forward way to improve schools and maybe improve much needed mental health services in schools. If our schools fail our communities fail.

The meals tax could be promoted as a luxury tax so it won't hit the least able to pay. Those who go to restaurants or who buy food that is already prepared are the most able to afford the tax. Too, a meals tax would also come from visitors to the county as stated in the introduction above. Local control of the revenue is a huge benefit.

Great idea!

Whenever I eat out it is in jurisdictions which already have a meals tax such as Falls Church City, Alexandria City, and Arlington County. I don't consider the presence or lack of a meals tax when deciding where to eat out.

Other jurisdictions have meals tax so we should, too.

If the Board decides to put the meals tax to a referendum, it should be in November of this year, because no Democratic candidates for office on the same ballot would be damaged. By contrast, the referendum should not be in November of 2015, because it would bring out even more Republican/Tea Party voters than usual, which would do real damage to Democratic candidates, especially for the House of Delegates.

I think that it is important for us to diversify the revenue stream.

We MUST diversify our tax base but have few, if any, options available as a locality. With the amount of out-of-town business & tourism travel to our area, a meals tax allows for tax revenues from non-citizens. And this tax is progressive rather than having disproportionate impacts on low-income residents. Alexandria restaurant business doesn't seem to have declined with their meals tax. The hospitality industry has to recognize they're not being "singled out" by such a tax, just that our state doesn't allow other options for tax-base diversification.

This is a fair, user tax,; a legitimate, timely method of creating and sustaining a revenue stream.

The task force needs to look at the amount of the meals tax. State Law says that the limit is 4 percent. That is the cap. This does not mean that the tax should be 4 percent. I would suggest looking at a .5, 1 or 1.5 percent tax. This would bring in additional revenue without shocking the service economy that is so important to Fairfax County.

It needs to apply to fast food takeout and 7-11 takeout too, to be fair to restaurants.

Let's use the meals tax to get better salaries for our teachers and keep more of our taxes in Fairfax County.

We don't eat out too often, and when we do, we often take takeout. Would takeout be affected as well?

This is an important step needed to diversify the County's income and reduce reliance on real estate taxes.

Please make it abundantly clear that this will be spent in Fairfax County, that the state cannot take it away from us. Please explain why this is needed. For this to pass there needs to be a public education campaign.

I think a meals tax in Fairfax County is long overdue. I supported it when it was previously proposed in 1992. The sooner we get it the better. The only reason for considering a delay in the referendum to next year would be if we thought there might be a better voter turnout next year. I suspect the fewer Tea Party voters we have, the better the chances for the tax being approved.

I would oppose a meals tax as I think it gives a competitive advantage to Fairfax County.

If we're going to do it, we need to make sure it can pass, which is why I favor waiting until the 2016 General when we'll have the most favorable electorate.

I believe that an unmet need must present itself as a social challenge that disadvantages a segment of the population (even if they're a tiny minority) in order for a tax to be justified (and become necessary if there are no other means of funding it). I do find taxing first, and searching for ways to spend the resulting revenue later, a gateway for wasteful spending, imprudent leadership and reckless governing, even if most of those paying the taxes are tourists.

A meals tax is a progressive not regressive tax and will allow many non-residents to begin to support the priorities in Fairfax County. It is about time that we had this type of diversified revenue stream. Property tax cannot be the only means to fund our schools, health services and parks.

Your math on the examples is deceptive. Yes indeed the meal tax is \$2 on a \$50-meal. However, that coupled with the existing 6% sales tax is 10%, meaning it's \$5 tax on that meal. This rivals the District of Columbia in jacking up the price of food through taxes. I vote for a referendum and I hope this proposal is soundly defeated. This creates an undue burden on poorer residents of the county and would certainly influence my patronage of local food establishments.

I believe that a smaller tax (2 or 3%) would be easier to pass.

All the rationale for creating a new tax or increasing an existing tax should be with a particular shortfall in mind or a specific need which is not being met. The fact that these questions are included in this poll makes me question even more the whole notion of the meals tax. Before this poll, I assumed that Fairfax already had these things figured out. Perhaps they still do, but to even suggest that a citizen is in any better position than those on the County Board to answer these questions is troubling to me.

The County has unfulfilled needs that require increased revenue. A meals tax is about as innocuous as they come and would help.

I haven't felt any "pain at the pump" because of the gas tax, or any of the other taxes in the 2013 Transportation Bill. I don't expect to get any indigestion with a 4% meals tax. Unlike Tea Party "Patriots" who want a "Free Lunch," I believe that we should pay for what we receive.

We need more revenue and the property taxes are high and fall mainly on homeowners (as opposed to commercial property). We need alternate methods of taxing. What better way than using a method that gets money from people who don't even live here. Also it is fairly progressive since the amount spent on restaurant meals is probably related to income.

We eat out often. I would rather an increase in property tax which effects more people and generates revenue across the board.

Of a possible 1,000 ways to increase revenues, there are at least 900 better options.

I fear that this will hurt the small business restaurant owners of ffx county as fewer patrons will be dining out.