

MEALS TAXES IN NORTHERN VIRGINIA

Local Jurisdiction	Year Enacted	Requirements for Levying the Meals Tax	Current Rate	Collector's Commission/ Discount	Designated for Specific Purpose
Arlington	1991	Exempted from referendum requirement. Adopted by unanimous vote.	4.0%	None	No
Alexandria	1975	Has authority to levy without referendum	4.0%	None	No
Fairfax City	1985	Has authority to levy without referendum	4.0%	3.0%	No
Falls Church	1977	Has authority to levy without referendum	4.0%	2.0%	No
Herndon	2003	Has authority to levy without referendum	2.5%	6.0%	1.5% rate to General Fund / 1% rate to CIP & Economic Development
Manassas City	1988	Has authority to levy without referendum	4.0%	3.0%	No
Manassas Park	at least since 1995	Has authority to levy without referendum	4.0%	2.0%	No
Vienna	1989	Has authority to levy without referendum	3.0%	3.0%	Debt Service
Fairfax County	Not levied	Referendum required. Referendum failed in 1992	--	--	--
Loudoun	Not levied	Referendum required. Referendum failed in 2008	--	--	Would have been used for school construction
Prince William	Not levied	Referendum required. No referendum attempted	--	--	--

Section 16

Meals, Transient Occupancy, Cigarettes, Tobacco, and Admissions Excise Taxes, 2013

Among the many local taxes levied by Virginia's localities are four excise taxes on meals, transient occupancy, cigarettes and admissions. **Table 16.1** provides a detailed list of rates for these taxes for the 39 cities, 77 counties, and 107 towns reporting at least one of these taxes.

MEALS TAX

The meals tax is a flat percentage imposed on the price of a meal. In fiscal year 2012, the most recent year available from the Auditor of Public Accounts, the tax accounted for 7 percent of the total tax revenue for cities, 1 percent for counties, and 22.2 percent for large towns. The low percentage for counties is explained by the fact that slightly less than one-half of the counties employ the tax. The authority to levy this tax varies greatly among jurisdictions, so the tax varies significantly among individual cities, counties and towns. For information on tax receipts of individual localities, see Appendix C.

Counties are restricted in their authority to levy the meals tax within the limits of an incorporated town unless the town grants the county authority to do so (§ 58.1-3711). Cities and towns are granted the authority to levy the tax under the "general taxing powers" found in their charters (§ 58.1-3840).

Counties may levy a meals tax on food and beverages offered for human consumption if the tax is approved in a voter referendum (§ 58.1-3833). However, several counties have been exempted from the voter referendum requirement [see § 58.1-3833 (B) of the *Code of Virginia*]. It appears that cities and towns do not need to have a referendum when deciding to impose the tax.

There are certain restrictions in applying the meals tax. The tax cannot be imposed on food that meets the definition of food under the Federal Food Stamp Program, with the exception of sandwiches, salad bar items, certain prepackaged salads, and non-factory sealed beverages. It does not apply to certain volunteer and non-profit organizations that might sell food on an occasional basis. It does not apply to churches and their members. Also, the meals tax cannot exceed 4 percent. The limit applies only to counties. Cities and towns may exceed that rate. Accordingly, 32 cities and 69 towns report charging a meals tax over 4 percent. In addition, the meals tax does not apply to gratuities, whether or not a restaurant makes them mandatory.

The first column of Table 16.1 lists the rates for the meals tax. All cities impose a meals tax. The median tax rate is 6 percent. The minimum rate, charged by six cities, is 4 percent, and the maximum, charged by Covington, Newport News, and Hampton is 7.5 percent. The median meals tax rate is lower among the 46 counties that report having it. All counties that report having the meal tax have a rate of 4 percent except for Dickenson, which lists a meals tax rate of 2 percent. Among the 104 towns that report having a meals tax, the minimum rate is 2 percent, the maximum 8 percent, and the median rate is 5 percent.

The text table summarizes the dispersion of the meal tax rates among cities, counties, and towns.

Meals Tax Rates, 2013

Rate	Number of Localities			
	Cities	Counties	Towns	Total
1 to 2%	0	1	1	2
2.1 - 3%	0	0	6	6
3.1 - 4%	6	46	32	84
4.1 - 5%	5	0	42	47
5.1 - 6%	15	0	15	30
6.1 - 7%	10	0	5	15
7.1 - 8%	3	0	3	6
Total	39	47	104	190
Median rate	6%	4%	5%	4%

Furthermore, counties are restricted in their authority to levy the meals tax to within the limits of an incorporated town unless the town grants the county authority to do so (§ 58.1-3711). Cities and towns are granted the authority to levy the meals under the "general taxing powers" found in their charters (§ 58.1-3840).

The local meals tax is in addition to the state 4.3 percent sales tax (5 percent in localities constituting transportation districts in northern Virginia and Hampton Roads) and the 1 percent local option sales tax (see § 58.1-603). This means that the combined state and local tax on restaurant meals could be anywhere in the range of 7 to 14 percent for cities, counties, and towns that impose this tax.

TRANSIENT OCCUPANCY TAX

The transient occupancy tax (lodging tax) is a flat percentage imposed on the charge for the occupancy of any room or space in hotels, motels, boarding houses, travel campgrounds, and other facilities providing lodging for less than thirty days. The tax applies to rooms intended or suitable for

Table 16.1

Meals, Transient Occupancy, Cigarette, and Admissions Excise Taxes, 2013

Locality	Meals (Restaurant) Tax (%)	Transient Occupancy (Hotel and Motel) Tax (%)	Cigarette Tax (Per Pack)	Admissions Tax (%)
Cities (Note: All cities responded to the survey.)				
Alexandria	4.0	6.5 + \$1 per night	80¢	10.0 ^a
Bedford	5.0	5.0	30¢	N/A
Bristol	6.0	6.0	N/A	N/A
Buena Vista	6.0	6.0	N/A	N/A
Charlottesville	4.0	6.0	35¢	N/A
Chesapeake	5.5	8.0	50¢ (20 cig.) 62.5¢ (25 cig.) 75¢ (30 cig.)	10.0
Colonial Heights	6.0	8.0	N/A	N/A
Covington	7.5	2.0	30¢	N/A
Danville	6.0	6.0	N/A	N/A
Emporia	6.5	10.0	N/A	N/A
Fairfax	4.0	4.0	85¢	N/A
Falls Church	4.0	7.0	75¢ (20 cig.) 93.8¢ (25 cig.) \$1.125 (30 cig.)	N/A
Franklin	6.5	8.0	60¢	N/A
Fredericksburg	6.0	6.0	31¢	6.0
Galax	7.0	6.0	N/A	N/A
Hampton	7.5	8.0	80¢	10.0
Harrisonburg	6.5	6.5	30¢	5.0
Hopewell	5.5	8.0	N/A	N/A
Lexington	5.0	6.0	N/A	N/A
Lynchburg	6.5	5.5 + \$1 per night	35¢ (20 cig.) 43.8¢ (25 cig.)	7.0
Manassas	4.0	5.0	65¢ (20 cig.) 81.5¢ (25 cig.) 97.5¢ (30 cig.)	N/A
Manassas Park	4.0	4.0	50¢	N/A
Martinsville	6.5	2.0	20¢	N/A
Newport News	7.5	7.5	85¢ (20 cig.) 110¢ (25 cig.) 130¢ (30 cig.)	7.5
Norfolk	6.5	8.0 + \$1 per night	75¢ (20 cig.) 93.5¢ (25 cig.)	10.0
Norton	7.0	4.0	15¢	N/A
Petersburg	6.0	6.0	10¢	5.0
Poquoson	6.0	N/A	20¢	N/A
Portsmouth	6.5	8.0	60¢ (20 cig.) 73¢ (25 cig.)	10.0
Radford	5.5	6.0	15¢	N/A
Richmond	6.0	8.0	N/A	7.0
Roanoke	5.0	7.0	54¢	5.5
Salem	6.0	7.0	15¢ (20 cig.) 18.75¢ (25 cig.) 22.5¢ (30 cig.)	5.0
Staunton	6.0	5.0	20¢	N/A
Suffolk	6.5	8.0	50¢ (20 cig.)	10.0
Virginia Beach	5.5	8.0	65¢ (20 cig.)	10.0 ^b
Waynesboro	6.0	10.5 ^c	81¢ (25 cig.)	5.0 ^d
Williamsburg	5.0	6.0	20¢	N/A
Winchester	5.0	5.0	30¢ 25¢	N/A 5.0

N/A Not applicable.

^a Not to exceed \$0.50 per person.^b For concert events.^c Imposed in a special district (Sandbridge).^d For participatory sporting events.

Table 16.1 Meals, Transient Occupancy, Cigarette, and Admissions Excise Taxes, 2013 (continued)

Locality	Meals (Restaurant) Tax (%)	Transient Occupancy (Hotel and Motel) Tax (%)	Cigarette Tax (Per Pack)	Admissions Tax (%)
Counties (Note: All counties responded to the survey. Those that answered "not applicable" for all items are excluded.)				
Accomack	N/A	5.0	N/A	N/A
Albemarle	4.0	5.0	N/A	N/A
Alleghany	4.0	5.0	N/A	N/A
Amherst	4.0	5.0	N/A	N/A
Appomattox	N/A	2.0	N/A	N/A
Arlington	4.0	5.0	30¢ (20 cig.) 37.5¢ (25 cig.)	N/A
Augusta	4.0	4.0	N/A	N/A
Bath	4.0	4.0	N/A	N/A
Bedford	4.0	5.0	N/A	N/A
Bland	4.0	2.0	N/A	N/A
Botetourt	4.0	5.0	N/A	N/A
Brunswick	N/A	5.0	N/A	N/A
Buchanan	N/A	2.0	N/A	N/A
Buckingham	N/A	2.0	N/A	N/A
Campbell	N/A	2.0	N/A	N/A
Caroline	4.0	5.0	N/A	N/A
Carroll	4.0	5.0	N/A	N/A
Chesterfield	N/A	8.0	N/A	N/A
Clarke	N/A	2.0	N/A	N/A
Craig	4.0	5.0	N/A	N/A
Culpeper	N/A	2.0	N/A	N/A
Dickenson	2.0	2.0	N/A	N/A
Dinwiddie	4.0	5.0	N/A	4.0
Fairfax	N/A	6.0	30¢	N/A
Fauquier	N/A	2.0	N/A	N/A
Floyd	N/A	5.0	N/A	N/A
Franklin	4.0	5.0	N/A	N/A
Frederick	4.0	2.0	N/A	N/A
Giles	N/A	2.0	N/A	N/A
Gloucester	4.0	4.0	N/A	N/A
Goochland	N/A	2.0	N/A	N/A
Grayson	N/A	5.0	N/A	N/A
Greene	4.0	5.0	N/A	N/A
Greensville	4.0	2.0	N/A	N/A
Halifax	4.0	5.0	N/A	N/A
Hanover	N/A	8.0	N/A	N/A
Henrico	4.0	8.0	N/A	N/A
Henry	4.0	2.0	N/A	N/A
Isle of Wight	4.0	2.0	N/A	N/A
James City	4.0	5.0	N/A	N/A
		+ \$2 per night		
King George	4.0	5.0	N/A	N/A
King William	4.0	N/A	N/A	N/A
Lee	N/A	2.0	N/A	N/A
Loudoun	N/A	5.0	N/A	N/A
Louisa	4.0	2.0	N/A	N/A
Madison	4.0	5.0	N/A	N/A
Mecklenburg	N/A	5.0	N/A	N/A
Montgomery	4.0	3.0	N/A	N/A
Nelson	4.0	5.0	N/A	N/A
New Kent	4.0	2.0	N/A	4.0
Northampton	4.0	5.0	N/A	N/A
Nottoway	N/A	2.0	N/A	N/A
Orange	4.0	2.0	N/A	N/A
Page	4.0	5.0	N/A	N/A
Patrick	N/A	5.0	N/A	N/A

N/A Not applicable.

Table 16.1 Meals, Transient Occupancy, Cigarette, and Admissions Excise Taxes, 2013 (continued)

Locality	Meals (Restaurant) Tax (%)	Transient Occupancy (Hotel and Motel) Tax (%)	Cigarette Tax (Per Pack)	Admissions Tax (%)
Counties (continued)				
Pittsylvania	4.0	N/A	N/A	N/A
Prince George	4.0	5.0	N/A	N/A
Prince William	N/A	5.0	N/A	N/A
Pulaski	4.0	5.0	N/A	N/A
Rappahannock	4.0	2.0	N/A	N/A
Roanoke	4.0	7.0	N/A	5.0
Rockbridge	4.0	6.0	N/A	N/A
Rockingham	4.0	2.0	N/A	N/A
Russell	N/A	2.0	N/A	N/A
Scott	N/A	2.0	N/A	N/A
Shenandoah	N/A	2.0	N/A	N/A
Smyth	N/A	5.0	N/A	N/A
Southampton	4.0	2.0	N/A	N/A
Spotsylvania	4.0	5.0	N/A	N/A
Stafford	4.0	5.0	N/A	N/A
Sussex	N/A	2.0	N/A	N/A
Tazewell	N/A	5.0	N/A	N/A
Warren	4.0	2.0	N/A	N/A
Washington	N/A	2.0	N/A	N/A
Wise	N/A	5.0	N/A	N/A
Wythe	4.0	5.0	N/A	N/A
York	4.0	5.0	N/A	N/A
+ \$2 per night				

Towns (Note: Towns that answered "not applicable" for all items in this table are excluded. For a listing of town respondents and non-respondents, see Appendix B.)

Abingdon	7.0	7.0	10¢	N/A
Altavista	5.5	5.5	N/A	N/A
Amherst	4.0	5.0	N/A	N/A
Appalachia	3.0	N/A	20¢	N/A
Appomattox	8.0	5.0	N/A	N/A
Ashland	5.0	5.0	19¢	N/A
Big Stone Gap	6.0	5.0	N/A	N/A
Blacksburg	6.0	7.0	30¢ (20 cig.) 37.5¢ (25 cig.) 45¢ (30 cig.)	N/A
Blackstone	6.5	6.0	22¢ (20 cig.)	N/A
Bluefield	5.0	5.0	10¢	N/A
Boones Mill	5.0	N/A	N/A	N/A
Boydton	4.0	N/A	N/A	N/A
Bridgewater	6.0	N/A	10¢ (20 cig.) 13¢ (25 cig.) 15¢ (30 cig.)	N/A
Broadway	4.0	N/A	10¢	N/A
Brookneal	5.0	N/A	N/A	N/A
Buchanan	4.0	N/A	N/A	N/A
Cape Charles	5.0	3.0	N/A	3.0
Cedar Bluff	6.0	N/A	N/A	N/A
Charlotte Court House	5.0	N/A	N/A	N/A
Chase City	5.0	N/A	N/A	N/A
Chatham	5.0	N/A	N/A	N/A
Chilhowie	5.0	5.0	6¢	N/A
Christiansburg	7.5	9.0	40¢ (20cig.) 50¢ (25 cig.) 60¢ (30 cig.)	N/A
Clarksville	5.0	5.5	N/A	N/A
Clifton Forge	4.5	N/A	4¢ (20 cig.) 5¢ (25 cig.) 6¢ (30 cig.)	N/A

N/A Not applicable.

Table 16.1 Meals, Transient Occupancy, Cigarette, and Admissions Excise Taxes, 2013 (continued)

Locality	Meals (Restaurant) Tax (%)	Transient Occupancy (Hotel and Motel) Tax (%)	Cigarette Tax (Per Pack)	Admissions Tax (%)
Towns (continued)				
Clintwood	6.0	5.0	10¢	N/A
Colonial Beach	5.0	5.0	30¢	N/A
Crewe	5.0	N/A	N/A	N/A
Culpeper	6.0	5.0	10¢	1.0
Damascus	5.0	5.0	10¢	N/A
Dayton	5.0	N/A	N/A	N/A
Dublin	4.0	N/A	N/A	N/A
Duffield	3.5	N/A	N/A	N/A
Dumfries	4.0	5.5 + \$1 per night	60¢	N/A
Edinburg	5.0	N/A	N/A	N/A
Farmville	7.0	7.0	N/A	N/A
Fincastle	4.0	N/A	N/A	N/A
Floyd	5.0	5.0	N/A	N/A
Front Royal	4.0	6.0	N/A	N/A
Gate City	3.5	2.0	N/A	N/A
Glade Spring	5.0	N/A	N/A	N/A
Glen Lyn	N/A	5.0	N/A	N/A
Gretna	5.0	2.5	N/A	N/A
Grundy	5.0	5.0	5¢	N/A
Halifax	3.0	3.5	N/A	N/A
Hamilton	4.0	2.0	N/A	N/A
Haymarket	4.0	N/A	45¢	N/A
Haysi	5.0	N/A	20¢	N/A
Herndon	2.5	6.0	75¢	N/A
Hillsville	8.0	8.0	N/A	N/A
Honaker	7.0	N/A	10¢	N/A
Hurt	4.0	N/A	N/A	N/A
Independence	5.0	5.0	N/A	N/A
Iron Gate	4.0	N/A	20¢	N/A
Irvington	N/A	2.0	N/A	N/A
Kenbridge	5.0	N/A	N/A	N/A
Keysville	5.0	N/A	N/A	N/A
Kilmarnock	5.0	8.0	30¢	N/A
Lacrosse	4.0	4.0	N/A	N/A
Lawrenceville	5.0	5.0	N/A	N/A
Lebanon	5.0	5.0	N/A	N/A
Leesburg	3.5	8.0	75¢	N/A
Louisa	5.5	1.0	N/A	N/A
Lovettsville	3.0	5.0	40¢	N/A
Luray	4.0	5.0	15¢	N/A
Madison	4.0	N/A	N/A	N/A
Marion	7.0	6.0	12¢	N/A
Middletown	5.0	5.0	20¢	N/A
Mineral	5.0	5.0	N/A	N/A
Narrows	4.0	4.0	N/A	N/A
Nassawadox	4.0	N/A	N/A	N/A
New Market	5.0	4.0	15¢	N/A
Occoquan	2.0	2.0	N/A	N/A
Onancock	4.0	4.0	N/A	N/A
Pearisburg	4.0	5.0	N/A	N/A
Pembroke	4.0	N/A	N/A	N/A
Pound	4.0	4.0	10¢	N/A
Pulaski	6.0	6.0	20¢	N/A
Purcellville	5.0	3.0	65¢	N/A
Rocky Mount	5.0	5.0	10¢	N/A

N/A Not applicable.

Table 16.1 Meals, Transient Occupancy, Cigarette, and Admissions Excise Taxes, 2013 (continued)

Locality	Meals (Restaurant) Tax (%)	Transient Occupancy (Hotel and Motel) Tax (%)	Cigarette Tax (Per Pack)	Admissions Tax (%)
Towns (continued)				
Rural Retreat	5.0	5.0	N/A	N/A
Saint Paul	5.0	5.0	5¢	N/A
Saltville	6.0	N/A	5¢	N/A
Scottsville	4.0	5.0	35¢	N/A
Smithfield	6.0	5.0	20¢	N/A
South Boston	4.0	5.5	N/A	N/A
South Hill	5.5	5.5	N/A	N/A
Stanley	4.0	4.0	15¢	N/A
Stephens City	5.0	4.0	25¢	N/A
Strasburg	5.0	5.0	25¢	N/A
Surry	3.0	3.0	N/A	N/A
Tappahannock	4.0	2.0	15¢	N/A
Tazewell	6.0	N/A	10¢	N/A
Timberville	5.0	4.0	10¢	N/A
Troutville	4.0	N/A	N/A	N/A
Urbanna	5.0	5.0	N/A	N/A
Victoria	4.0	N/A	N/A	N/A
Vienna	3.0	3.0	75¢ (20 cig.) 93.75¢ (25 cig.) 112.5¢ (30 cig.)	N/A
Vinton	5.0	2.0	35¢	5.0
Wakefield	5.0	N/A	N/A	N/A
Warrenton	4.0	4.0	15¢	N/A
Warsaw	4.0	2.0	25¢	N/A
Waverly	5.0	N/A	N/A	N/A
Windsor	5.0	N/A	25¢ (20 cig.) 31¢ (25 cig.) 38¢ (30 cig.)	N/A
Wise	6.0	5.0	10¢	N/A
Woodstock	5.0	5.0	10¢	N/A
Wytheville	6.0	6.0	15¢	N/A
N/A Not applicable.				