



VHTA Legislative Update

March 7, 2010

Budget Blues: Contact Budget Conferees NOW to Protect Your Business

The time is NOW to contact the twelve budget conferees to protect your business' bottom line. The Senate and House are working to balance the budget for the next two years and in the process are considering how to spend less and raise revenue.

The elimination of the dealer discount and the accelerated sales tax are two policy changes that will affect businesses' bottom line. First, please advise the conferees of the effect the accelerated sales tax payment will have on your business. Second, please encourage conferees to include the Senate's "phase out" language to end the accelerated sales tax by 2015. (Your first payment is scheduled for this summer, July 2010.) Moreover, the dealer discount is another important issue. In fact, the Richmond Times-Dispatch called it a "Stealth Tax" in [Saturday's edition](#). VHTA is part of a business coalition urging the House and Senate to include compromise language to eliminate only 75% of the dealer discount, thereby giving all businesses a 25% reimbursement payment for the expenses incurred in remitting sales tax. The compromise language would also include committing the Tax Department to examine the costs incurred by businesses when providing tax collection services to the Commonwealth. Please contact the Budget Conferees in support of the 75% compromise and study language.

In addition the House and Senate budgets differ on the weights and measures fee and the annual health permit fee. Please encourage budget conferees to include the Senate's plan to remove the \$17.50 weights and measures fee. Similarly, please encourage the budget conferees to include the House's plan to cap the annual health permit fee at \$100 rather than tripling the fee from \$75 to \$285.

House Conferees

House Appropriations Committee Chairman Delegate Lacey Putney (I-Bedford) 804-698-1019;

DelLPutney@house.virginia.gov

Delegate Kirk Cox (R-Colonial Heights) 804-698-1066; DelKCox@house.virginia.gov

Delegate Steve Landes (R-Augusta County) 804-698-1025; DelSLandes@house.virginia.gov

Delegate Chris Jones (R-Suffolk) 804-698-1076; DelCJones@house.virginia.gov

Delegate Johnny Joannou (D-Portsmouth) 804-698-1079 (Phone Only)

Delegate Beverly Sherwood (R-Frederick County) 804-698-1029; DelBSherwood@house.virginia.gov

Senate Conferees

Senate Finance Committee Chairman Senate Chuck Colgan (D-Prince William) 804-698-7529;

district29@senate.virginia.gov

Senator Edward Houck (D-Spotsylvania County) 804-698-7517; district17@senate.virginia.gov

Senator Janet Howell (D-Fairfax County) 804-698-7532; district32@senate.virginia.gov

Senator Richard Saslaw (D-Fairfax County) 804-698-7535; district35@senate.virginia.gov



Senator Walter Stosch (R-Henrico County) 804-698-7512; district12@senate.virginia.gov

Senator William Wampler (R-Bristol) 804-698-7540; district40@senate.virginia.gov

Taxes on Room Rentals Defeated

Proposed legislation to collect sales tax from online companies such as Expedia and Travelocity was defeated. Senator Whipple's bill, heard this week in the House Finance Committee, would have required online companies such as Expedia and Travelocity to remit the sales tax on the wholesale price of the hotel room. The hotel itself would not have been required to pay anything further. Delegate Barlow had a similar bill that was defeated in House Finance earlier in the Session. The Virginia Hospitality & Travel Association worked diligently to ensure that hotels would not be liable for additional payment but took no position on the policy matter.

Guns in Bars; Guns in Parking Lots

The House Bill to allow concealed weapons in restaurants that serve alcoholic beverages was reported out of the special Senate Courts of Justice subcommittee this week. HB505/Athey will be heard Monday in the full Senate Courts of Justice Committee. The vote on SB334/Hanger, the Senate version of this legislation, was 8-7. Voting against the bill were Senators [Marsh](#), [Saslaw](#), [Norment](#), [Howell](#), [Lucas](#), [Puller](#), and [McEachin](#). You might drop them a note to say thank you and encourage them to do so again first thing Monday morning. Voting for the bill were Senators Quayle, Edwards, Reynolds, Obenshain, McDougle, Deeds, Hurt, and Petersen. You might contact [Senator Qualey](#) and remind him of the importance of the current policy—no concealed weapons in restaurants that service alcoholic beverages—and asked him to vote against this bill in full committee.

In addition, HB171/Pogge, legislation to allow guns in parked cars, was defeated this week in the special subcommittee. VHTA was one of many businesses who worked hard to defeat this measure which would have stripped employers of the right to set their own policy regarding guns in parked cars in their own parking lots.

School Calendar Bills are all Finished for the 2010 General Assembly Session

Rest assured that all the House and Senate proposed legislation to change the school calendar and permit Virginia's public schools to open before Labor Day has been defeated for the 2010 General Assembly Session. The current Post-Labor Day start date is crucial to the hospitality and travel industries. Thanks to you for your phone calls, emails and dedication to this important issue.

Support Funding for the Virginia Tourism Corporation (VTC)

Let the budget conferees hear your support for the Virginia Tourism Corporation (VTC) and the House's proposed \$3.6 million budget amendments for 2011-2012. Investing in Virginia's \$19.2 billion tourism industry will result in a 5:1 return on your investment, supporting 210,062 jobs, and generating \$4.4



billion in payroll and \$1.28 billion in tax revenue across the Commonwealth. Not only is the tourism industry an economic engine but it also adds to the quality of life of all Virginians.

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