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VRLTA Applauds Governor's Approval of SB 1296

Meals Tax Referendum Bill Protects Residents from Unwanted Tax Increases

RICHMOND, VA, April 26, 2017 – The Virginia Restaurant, Lodging & Travel Association (VRLTA) applauds Governor Terry McAuliffe's approval of Senator Vogel's Senate Bill 1296. The Bill, signed late last week, will go into effect July 1, 2017.

This legislation will prevent County Officials from adding a new meals tax or meals tax increase referendum to a ballot until three years removed from similar failed attempt.

It also requires that, should a referendum be put forth, the total tax, as a percentage, of any proposed new meals tax or meals tax increase be clearly explained in the ballot language, ensuring honesty and transparency for Virginia voters.

In general, a meals tax is a regressive tax that disproportionality affects low- and middle-income families, who are primary consumers of prepared meals. These taxes also place a significant additional burden on the restaurant industry, and can add costly bureaucracy between businesses and local government.

"As supporters of this Bill, the restaurant industry would like to thank Senator Vogel for helping us move this legislation forward with the General Assembly," said **Eric Terry, President of VRLTA**. "We'd also like to thank the Northern Virginia Chamber of Commerce and the Restaurant Association of Metropolitan Washington for their support in seeing this Bill passed. The restaurant industry continues to be the target of local governments with these tax proposals. Rejected by voters, county officials continue to put these referendums on ballots year after year. Not only does this Bill protect citizens from unwanted tax increases and vague ballot language, it protects the restaurant industry from being the sole target of a burdensome tax."

About the Virginia Restaurant, Lodging & Travel Association (VRLTA)

The Virginia Restaurant, Lodging & Travel Association is the only unified voice for the restaurant, lodging, travel and hospitality suppliers associations. VRLTA creates value for members by promoting the legislative interests of the industry, networking, educational opportunities, and protecting free enterprise. Inquiries about membership and VRLTA services should <u>be directed</u> to VRLTA at (804) 288-3065 or VRLTA.org.