



Dinwiddie County Attorney's Office

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To: Board of Supervisors

CC: Lori K. Stevens, Commissioner of the Revenue
Michael Drewry, Assistant County Attorney

From: Tyler Southall, County Attorney

Date: January 18, 2022

Subject: Proposed Text Amendment to Transient Occupancy Tax Language

Background:

Senate Bill 1398 in the 2021 Special Session I of the Virginia General Assembly amended several sections of the Va. Code applicable to transient occupancy taxes.

The changes to the Va. Code established that the transient occupancy tax would be taken out of the "total price paid by the customer for the use or possession of any room or space occupied in a retail sale", whereas prior language had stated the tax would be assessed from the "occupancy of any room or space."

The changes to the Va. Code also established definitions of Accommodations Intermediary and Accommodations Provider. An Accommodations Provider generally means any person that furnishes accommodations to the general public for compensation. Generally speaking, an Accommodations Intermediary is a person or entity that operates a platform where lodgings can be booked, such as Expedia, VRBO or Air BnB.

Generally speaking, accommodations intermediaries such as VRBO and Air BnB would collect and remit taxes on behalf of their short term lodgings, platforms such as Expedia would remit a tax on any of their fees to the County and submit the taxes on the hotel stay to the hotel to be remitted to the County. Hotels would collect and remit the tax to the County.

The Dinwiddie County Code would incorporate all of the above changes to the Va. Code.

The proposed changes to the Dinwiddie County Code would make other technical changes, including changing a reference to "business entity" to "responsible entity", changing a reference

to “business” to “entity”, and changing a reference to Dinwiddie County Code Section 13-21 to Section 13-13. There is also a technical change to Section 19-119.

Action:

If the Board desires, the attached ordinance can be adopted.

Draft Motion: “I move that the ordinance be adopted as presented.”