



## FY 2021 Recommended Budget Budget Question

**Board Question #: 8**

**BUDGET QUESTION:** Are we already at the maximum percentage allowed to be charged for meals tax?

**RESPONDING DEPARTMENT/OFFICE:** Budget

**RESPONSE:** State Code (§ 58.1-3833 County food and beverage tax) allows counties to levy up to a 4% tax on food and beverages sold within the locality. As reported during the budget work session on February 11, 2020, Spotsylvania County currently applies the maximum 4%. Budget staff is tracking proposed legislation in the General Assembly that is relevant to the taxing authority of counties, towns, and cities. There are similar bills proposed in both the Senate and the House of Delegates. Passage of either of these bills, or a version thereof, may provide the County with additional revenue opportunities for consideration by the Board of Supervisors in future budget years. Staff will keep the Board of Supervisors informed as these bills progress through the General Assembly.

**ESTIMATE OF STAFF TIME SPENT ON RESPONSE:** 15 minutes