

**Caroline County  
Board of Supervisors Agenda  
Executive Summary**

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**Meeting Date:** January 14, 2020

**Title:** New Business – First Reading of Proposed Amendment of Chapter 103 of the County Code Taxation to Add Local Sales Tax Language

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*(Check Mark)*

<input type="checkbox"/> Consent	<input type="checkbox"/> Closed Meeting
<input checked="" type="checkbox"/> Action	<input type="checkbox"/> Public Hearing
<input type="checkbox"/> No Action (Information Only)	<input type="checkbox"/> Ordinance
<input type="checkbox"/> Resolution	<input type="checkbox"/> PowerPoint Presentation

**Background:** Staff was recently made aware by the Commissioner of the Revenue’s Office that the Code of Caroline County does not include an ordinance referencing the County’s intent to charge a local general retail sales tax at the rate of one percent to provide revenue for the general fund pursuant to the Code of Virginia, §58.1-605. It is unclear whether such ordinance is not included in the online County Code prepared by General Code due to an oversight by either staff or the company or whether no such ordinance was ever brought to the Board of Supervisors for consideration. Staff believes an ordinance was previously adopted by the Board (perhaps several decades ago), but has not performed the exhaustive research needed to make a final determination. Thus, after consulting with County Attorney Ben Emerson, it appears the best option is to simply move forward with adopting the appropriate ordinance as soon as possible.

The Commonwealth of Virginia has of course collected and remitted this revenue to the County for decades.

Attached is a proposed ordinance patterned after examples used by other localities.

**Budget Impact:** The Fiscal Year 2019/2020 Budget projects \$2,332,445 in local sales and use tax revenue

**Requested Action(s) of Board:** Conduct first reading and advise staff as to whether to advertise the proposed ordinance for a second reading and public hearing (with our without changes) at an upcoming Board of Supervisors meeting.

**An Ordinance to Amend Chapter 103 Taxation of the Code of Caroline County, Virginia  
by Adding Article XVIII Retail Sales Tax**

§103-148 – Levied; to be added to rate of state tax.

Pursuant to the Code of Virginia, §58.1-605, a local general retail sales tax at the rate of one percent to provide revenue for the general fund of the county is hereby levied. Such tax shall be added to the rate of the state sales tax imposed by the Code of Virginia title 58.1, ch. 6 (Code of Virginia, §58.1-600 et seq.). It shall be subject to all the provisions of such chapter of the Code of Virginia, all the amendments thereof, and the rules and regulations published with respect thereto.