

RESOLUTION NO. 531

WHEREAS, the Virginia Retail Sales and Use Tax Act, enacted by the General Assembly of Virginia in 1966, imposed a tax upon every person engaged in the business of selling at retail, distributing, renting, furnishing or storing for use or consumption in this state any item or article of tangible personal property, which tax was to be collected by such person from the purchaser, renter, user or consumer of any such item of personal property, and further provided that a percentage of the tax thereby collected was to be remitted by the State to the locality in which the tax was collected; and

WHEREAS, the tax imposed by the aforesaid Act has since its enactment been a significant source of revenue to the State and to its localities; and

WHEREAS, no similar tax is now imposed upon the sale, furnishing, renting, leasing or using of services; and

WHEREAS, the consumer purchases, rents, leases and uses services in the same manner as tangible personal property, but no similar tax is now imposed on such transactions; and

WHEREAS, the revenue generated by the tax imposed pursuant to the Virginia Retail Sales and Use Tax Act indicates that the failure to tax these transactions for services deprives the State and its localities of the benefits of a substantial amount of additional revenue, which is detrimental to the health, education and welfare of their citizens;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF ALEXANDRIA, VIRGINIA:

That the City Council of the City of Alexandria, Virginia endorses and supports any effort to have the General Assembly of Virginia adopt legislation expanding the Virginia Retail Sales and Use Tax Act, or to adopt a similar Act, to impose a sales tax on the sale, rental, lease or use of services in the Commonwealth of Virginia.

Adopted January 11, 1977

Helen Holleman Clerk