

**AN ORDINANCE
AMENDING AND REORDAINING SECTION 30-283 OF CHAPTER 30 (TAXATION)
INCREASING THE MEAL TAX FROM 6.5% TO 7.0%**

BE IT ORDAINED by the Council of the City of Charlottesville, Virginia that:

(1) Section 30-283 of Article X (Meal Tax) of Chapter 30 (Taxation) is hereby amended and reordained, as follows:

Sec. 30-283. Levied.

- (1) In addition to all other taxes and fees of any kind now or hereafter imposed by law, a tax is hereby levied and imposed on the purchaser of every meal sold in the city by a restaurant or caterer. The rate of this tax shall be 7.0 percent of the amount paid for the meal. There shall be no tax if the total amount paid is less than thirteen cents (\$0.13); on larger amounts a fractional cent of tax due shall be rounded to the next higher cent.
- (2) The city manager shall, no later than October 1, 2016, report to city council the total amount of meals tax revenue received by the city for the period from July 1, 2015 through June 30, 2016, and the average annual amount of meals tax revenue received by the city for the three (3) fiscal years immediately prior to July 1, 2015. If the amount of the fiscal year 2016 meals tax revenue is at least ten (10) percent less than the prior three-year average, on a rate-adjusted basis, the city manager's report shall also include an analysis of the factors that may be responsible for the decline in meals tax revenue. If city council finds that the decline in revenue is attributable to the one (1) percent increase in the meals tax, which became effective July 1, 2015, city council shall take the necessary actions to repeal the one (1) percent increase, effective at midnight, June 30, 2017.

- (2) This ordinance shall take effect on July 1, 2024.

BE IT FURTHER ORDAINED THAT the City's Clerk of Council shall provide the approved amendment to CivicPlus (Municode) for updating to the City Code.