



Economic Impact Analysis Virginia Department of Planning and Budget

23 VAC 10-210 – Retail Sales and Use Tax Regulations
Department of Taxation
September 13, 2006

Summary of the Proposed Amendments to Regulation

The Department of Taxation (department) proposes to repeal numerous sections of these regulations.

Result of Analysis

The benefits likely exceed the costs for the proposed changes.

Estimated Economic Impact

The department proposes to repeal Sections 60, 110, 150, 180, 200, 210, 240, 260, 270, 300, 330, 460, 510, 520, 540, 640, 710, 740, 890, 950, 1000, 1010, 1040, 1050, 2000, 2010, 2030, 2034, 2040, 4000, 4030, 4060, 4080, 4090, 5000, 5010, 5020, 5030, 5040, 5050, and 5080 of these regulations.

Regulation Sections 60, 180, 460, 510, 520, 540, 710, 1010, 1040, 1050, 2030, 2034, 4030, 4060, and 5050 pertain to Code of Virginia Sections 58.1-609.2(2), 58.1-609.5(1), 58.1-612, 58.1-624, 58.1-612, 58.1-609, 58.1-609.10(9), 58.1-609.1(1), 58.1-607, 58.1-609.6(2), 58.1-635, 58.1-635, 58.1-609.2(1), 58.1-609.5(2), 58.1-609.3(2) respectively. None of these regulation sections contain rules that either go beyond or contradict their respective related Code of Virginia sections. Repealing these regulation sections will therefore have no impact.

Sections 110, 150, 200, 210, 240, 260, 270, 300, 330, 640, 740, 890, 950, 1000, 2000, 2010, 2040, 4000, 4080, 4090, 5000, 5010, 5020, 5030, 5040, 5080 differ from those respectively corresponding sections of the Code of Virginia 58.1-602, 58.1-637, 58.1-602, 58.1-602, 58.1-602, 58.1-609.6(4), 58.1-602, 58.1-602, 58.1-602, 58.1-609.5(1), 58.1-602, 58.1-602, 58.1-609.5(1), 58.1-609.1(2), 58.1-609.5(1), 58.1-602, 58.1-623.1, 58.1-602, 58.1-609.5(1),

58.1-602, 58.1-602, 58.1-609.5(1), 58.1-602, 58.1-602, 58.1-609.5(1), 58.1-602. When there is a conflict between the Code of Virginia and regulations, the Code of Virginia applies. The repeal will be beneficial since the current contradictory information is misleading.

Businesses and Entities Affected

The proposed repeal of these regulations will not significantly affect businesses and entities.

Localities Particularly Affected

No localities are particularly affected.

Projected Impact on Employment

The proposed repeal of these regulations will not affect employment.

Effects on the Use and Value of Private Property

The proposed repeal of these regulations will not significantly affect the use and value of private property.

Small Businesses: Costs and Other Effects

The proposed repeal of these regulations will not significantly affect small businesses.

Small Businesses: Alternative Method that Minimizes Adverse Impact

The proposed repeal of these regulations will not significantly affect small businesses.

Legal Mandate

The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with Section 2.2-4007.H of the Administrative Process Act and Executive Order Number 21 (02). Section 2.2-4007.H requires that such economic impact analyses include, but need not be limited to, the projected number of businesses or other entities to whom the regulation would apply, the identity of any localities and types of businesses or other entities particularly affected, the projected number of persons and employment positions to be affected, the projected costs to affected businesses or entities to implement or comply with the regulation, and the impact on the use and value of private property. Further, if the proposed regulation has adverse effect on small businesses, Section 2.2-4007.H requires that such economic impact analyses include (i) an identification and estimate of the number of small

businesses subject to the regulation; (ii) the projected reporting, recordkeeping, and other administrative costs required for small businesses to comply with the regulation, including the type of professional skills necessary for preparing required reports and other documents; (iii) a statement of the probable effect of the regulation on affected small businesses; and (iv) a description of any less intrusive or less costly alternative methods of achieving the purpose of the regulation. The analysis presented above represents DPB's best estimate of these economic impacts.