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## LEGISLATIVE ALERT

### VSFA STOPS MAJOR TAXATION BILL

January 26, 2017

We are pleased to provide the members of Virginia Smoke Free Association (“VSFA”) with an urgent update regarding the Association’s work to protect the vapor industry. With a strong legislative effort, the VSFA caused a bill to be stricken that would have severely damaged member businesses.


HB2056 would have enacted two new and separate state taxes - a \$0.05/ml tax on on e-liquids and another 10% tax on vapor product hardware. It would have allowed counties, cities, and towns across the Commonwealth to pass measures levying those same taxes in their separate jurisdictions. Also, the bill would have required store owner’s to obtain distributor’s licenses from the Department of Taxation.

After our lobbying team met with the patron of the bill, she agreed to have HB2056 stricken. We are honored to defend and support the VSFA as it continues to grow and protect its membership. Should you have any questions, please contact us. We welcome the opportunity to speak with you.

Sincerely,

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<u>Bill</u>	<u>Description</u>	<u>Action</u>
<b><u>HB 2056</u></b>	<ul style="list-style-type: none"><li>• Would have established two new taxes at the state level - a \$0.05/ml tax on e-liquid, and another 10% tax on hardware.</li><li>• Would have enabled counties, cities, and towns to individually pass ordinances levying those same taxes at the local level.</li><li>• Would have created new state licensure requirement.</li></ul>	Stricken 

#### Disclaimer

*This information is provided for informational purposes only and is not intended to be legal advice. An attorney should be consulted when developing business plans or policies based upon this information.*