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1 **HOUSE BILL NO. 720**

2 Offered January 14, 2026

3 Prefiled January 13, 2026

4 *A BILL to amend the Code of Virginia by adding in Chapter 17 of Title 58.1 an article numbered 13,*
5 *consisting of a section numbered 58.1-1749, relating to tax on electronic distribution of material harmful*
6 *to minors.*

7 Patron—Zehr

8 Committee Referral Pending

9 **Be it enacted by the General Assembly of Virginia:**10 **1. That the Code of Virginia is amended by adding in Chapter 17 of Title 58.1 an article numbered 13,**
11 **consisting of a section numbered 58.1-1749, as follows:**12 **Article 13.**13 **Tax on Material Harmful to Minors.**14 **§ 58.1-1749. Tax on electronic distribution of material harmful to minors.**15 **A. For the purposes of this section:**16 *"Adult website" means a website, application, or digital or virtual platform that uses the internet to*
17 *facilitate the dissemination of pictures, videos, or other content, a substantial portion of which is material*
18 *harmful to minors.*19 *"Material harmful to minors" means the same as that term is defined in § 8.01-40.5.*20 *"Substantial portion" means the same as that term is defined in § 8.01-40.5.*21 **B. In addition to all other taxes now imposed by law, there is hereby imposed a tax at the rate of 10**
22 **percent of the gross receipts of any commercial entity operating an adult website for all sales, distributions,**
23 **memberships, subscriptions, performances, and other content amounting to material harmful to minors that**
24 **is produced, sold, filmed, generated, or otherwise based in the Commonwealth.**25 **C. The revenues generated by the tax imposed under this article shall be deposited into the Behavioral**
26 **Health and Developmental Services Trust Fund established under § 37.2-318.**27 **D. The Department shall collect, administer, and enforce this tax in the same manner that it collects,**
28 **administers, and enforces the retail sales and use tax under Chapter 6 (§ 58.1-600 et seq.), mutatis mutandis.**29 **E. The Tax Commissioner shall develop and make publicly available guidelines implementing the**
30 **provisions of this article. Such guidelines shall be exempt from the provisions of the Administrative Process**
31 **Act (§ 2.2-4000 et seq.).**32 **2. That if any provision of the first enactment of this act is for any reason held to be invalid or**
33 **unconstitutional by the decision of a court of competent jurisdiction, such provision shall not be**
34 **deemed severable.**

INTRODUCED

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