

DEPARTMENT OF TAXATION

2026 Fiscal Impact Statement

1. **Patron** J.D. "Danny" Diggs
3. **Committee** Senate Finance and Appropriations
4. **Title** Admissions tax in counties

2. **Bill Number** SB 400
- House of Origin:**
 Introduced
 Substitute
 Engrossed
- Second House:**
 In Committee
 Substitute
 X **Enrolled**

5. **Summary/Purpose:**

This bill would permit all counties, by ordinance, to levy an admissions tax of up to ten percent on charges for attendance at any event.

Under current law, the Counties of James City and York are not permitted to levy an admissions tax.

If enacted during the regular session of the 2026 General Assembly, this bill would become effective July 1, 2026.

6. **Budget amendment necessary:** No.
7. **Fiscal Impact Estimates are:** Not available. (See Line 8.)
8. **Fiscal implications:**

Administrative Costs

This bill would have an unknown impact on administrative costs in James City County and York County to the extent they choose to exercise the authority granted by the bill.

This bill would have no impact on state administrative costs.

Revenue Impact

This bill would have an unknown positive impact on revenues in James City County and York County to the extent they choose to exercise the authority granted by the bill.

This bill would have no impact on state revenues.

9. Specific agency or political subdivisions affected:

James City County
York County

10. Technical amendment necessary: No.

11. Other comments:

Admissions Tax

Since 2020, all counties, except counties in which a state sales and use tax of at least one percent is levied to at least partially benefit tourism, have been authorized to levy an admissions tax of up to ten percent on charges for attendance to any event. The tax must be levied by ordinance and such ordinance must prescribe the terms, conditions, and amount of such tax and may classify between events conducted for charitable purposes and events conducted for noncharitable purposes. Counties are also authorized to, by ordinance, elect not to levy an admissions tax on events the purpose of which is solely to raise money for charitable purposes.

The only counties currently disqualified from being able to levy such a tax are James City and York Counties because of the additional one percent state sales tax that is levied in the Historic Triangle region in which these counties are located.

Additional Sales Tax in the Historic Triangle Region

Chapter 850 of the 2018 *Acts of Assembly* established an additional one percent sales and use tax to be levied in the three localities that comprise the Historic Triangle Region, the City of Williamsburg and the Counties of James City and York. The new tax brought the total tax rate in that region to 7 percent, comprised of the 4.3% state rate, 0.7% regional transportation district rate for localities within Hampton Roads, 1% local option rate, and 1% additional Historic Triangle regional rate. The additional tax is not levied on food purchased for human consumption or essential personal hygiene products. Fifty percent of the revenue from the tax is dedicated to promoting tourism in the region.

Proposal

This bill would permit all counties, by ordinance, to levy an admissions tax of up to ten percent on charges for attendance at any event.

If enacted during the regular session of the 2026 General Assembly, this bill would become effective July 1, 2026.

Similar Legislation

House Bill 550 is identical to this bill.

cc : Secretary of Finance

Date: 02/26/2026 AB
SB400FER161