



Commissioner of the Revenue

City of Charlottesville

605 E. Main Street, Room A130

P O Box 2964

Charlottesville, VA 22902-2964

434-970-3160

June 8, 2015

Dear Charlottesville City Market Vendor,

Thank you for your participation in one or more of our City Markets. Whether we're talking about the City Market, Farmers in the Park at Meade Park, or the Holiday Market, our markets are the best in Central Virginia because of vendors like you.

In an effort to better coordinate with our partners in the Parks and Recreation Department and with you, we wanted to take this opportunity to remind everyone about their financial responsibilities when it comes to doing business in the City of Charlottesville.

Business License

As a Market Vendor, you are not required to have a City of Charlottesville Business License in order to do business at one of the City Markets. However, if your normal place of business is within the City of Charlottesville, you ARE required to have a City Business License. Contact our office at 434-970-3170 if you are not sure.

Retail Sales Tax

Every vendor engaged in retail sales at one of our City Markets is required to register with the State Department of Taxation for that purpose. You can do this online at www.tax.virginia.gov. You must collect the sales tax on the gross sales price of all retail sales to each customer. That tax is then remitted to the Commonwealth of Virginia the following month. Instructions can be found at www.tax.virginia.gov.

Most retail transactions are taxed at the rate of 5%. Food sold for home consumption (i.e. produce, pre-packaged food) is taxed at the reduced rate of 2.5%. If you are not sure which rate applies to you, contact our office at 434-970-3170 or consult the State Tax website mentioned above.

Local Meals Tax

If you are engaged in the sale of prepared food and/or beverage items to be consumed at the market, you must register with our office for the City's 5% (beginning July 1, 2015) meals tax. The meals tax must be collected on the gross sales price of all prepared food and beverage items sold in the City. That tax is then remitted to the City on the 20th of the following month. Further instructions can be found at www.charlottesville.org/COR or call 434-970-3170.

It is our privilege to serve the citizens and businesses of Charlottesville. Should you have any questions, please do not hesitate to contact our office.

Sincerely,

Todd D. Divers

Commissioner of the Revenue