

July 27, 2010

Contact: **Stacey Johnson**, Press Secretary, (804) 786-2211
Joel Davison, Virginia Department of Tax, (804) 786-3507

**Governor McDonnell Encourages Virginians to Take Advantage of Tax-Free
Back-to-School Shopping Again this Year**

– Virginia's Fifth Annual Back-to-School Sales Tax Holiday Begins August 6th –

RICHMOND – Virginia Governor Bob McDonnell today announced the state's fifth annual tax-free back-to-school shopping period, which will take place Friday, August 6th through Sunday, August 8th. The state's three-day sales tax holiday is intended to relieve the financial burden on families preparing for their children to return to school.

The list of items exempt from the five percent state and local retail sales tax is the same as previous years and includes school supplies like notebooks, pencils, calculators, dictionaries, backpacks and lunchboxes priced at \$20 or less each. The tax is also waived on clothing and footwear items like jeans, shorts, dresses, raincoats, hats, sandals and sneakers priced at \$100 or less each. As long as each item qualifies, there is no limit on the quantity you can buy tax-free. And there is no requirement that the shopper be going back to school; these exemptions are available to everyone.

The complete lists of eligible items, sales tax holiday guidelines for consumers and retailers, and a list of frequently asked questions are available at www.tax.virginia.gov. Click on the sales tax holiday logo under Announcements to go to the Sales Tax Holiday Information Center.

Speaking about the sales tax holiday, Governor McDonnell remarked, "Heading back to school each fall is an exciting time for our children. But getting the supplies and essentials our children need to be prepared for the coming school year can be burdensome to families. We've all tightened our budgets and this is a great opportunity to help support your local economy while saving your family money and getting them ready for school at the same time."

"The recession has made Virginia's citizens more frugal, and we encourage those who know that 'every little bit counts' to go shopping and save money, while helping to support local retailers and Virginia's economy," said Acting Tax Commissioner Craig Burns. "This is the most popular Virginia sales tax holiday and the one that everyone can take advantage of."

During the sales tax holiday period, retailers are also permitted to pay the sales tax themselves on any non-exempt item and pass the savings on to their customers.

The August sales tax holiday was enacted unanimously by the 2006 General Assembly. Virginia also holds an Energy Star and WaterSense Products Sales Tax Holiday in October, and a Hurricane Preparedness Sales Tax Holiday in May.

#