

Dear Interested Party:

During the 2017 Session, the Virginia General Assembly enacted [House Bill 1518](#) (2017 Acts of Assembly, Chapter 104), which changed the Retail Sales and Use Tax treatment of separately stated shop supplies for automobile repair shops. Under the legislation, automobile repair shops will be required to collect the Retail Sales Tax on any separately stated charge billed to the customer for supplies used during automotive repairs.

Since the legislation represents a change in long-standing policy, the Department of Taxation will issue a guidance document to facilitate understanding of and compliance with the new legislation. The Department is currently in the process of developing such guidance and is soliciting input from interested parties. The Department has established a webpage which you may refer to for additional information about the development process, located [here](#). Please send any comments you may have regarding the development of this guidance via e-mail to Vivek Bakshi at TAX-Guidelines@tax.virginia.gov by the close of business on **April 10, 2017**.

If you have any questions, please let me know.

Sincerely,

Virginia Department of Taxation