

HB 1598 - Individual income tax; first-time homebuyer tax credit.

Chief Patron: Cole

Status: In Committee

A BILL to amend the Code of Virginia by adding in Article 3 of Chapter 3 of Title 58.1 a section numbered 58.1-339.15, relating to individual income tax; first-time homebuyer tax credit.

SUMMARY AS INTRODUCED:

Individual income tax; first-time homebuyer tax credit. Creates a one-time, nonrefundable individual income tax credit in taxable years 2025 through 2029 for up to \$10,000 in first-time homebuyer expenses, defined in the bill, incurred by a first-time homebuyer, also defined in the bill, for the purchase of direct ownership in residential real property in an amount equal to the purchase price value of such property detailed on the standard purchase agreement. The bill generally requires that any credits be repaid in the event that the residential real property for which first-time homebuyer expenses were incurred and such credit was claimed is sold within three years from the purchase date of such property.

5 Last Events

01/03/2025	House	Prefiled and ordered printed; Offered 01-08-2025 25102857D
01/03/2025	House	Referred to Committee on Finance

HB 1600 - Budget Bill.

Chief Patron: Torian

Status: In Committee

A BILL to amend and reenact Chapter 2 of the Acts of Assembly of 2024, Special Session I, as amended by Chapters 3 and 4 of the Acts of Assembly of 2024, Special Session I, which appropriates the public revenues for two years ending, respectively, on June 30, 2025, and June 30, 2026; a Bill to amend and reenact § 58.1-15, § 58.1-322.03, § 58.1-416, § 58.1-419, § 58.1-422.4, § 58.1-422.5, and § 58.1-492 of the Code of Virginia; and a Bill to amend the Code of Virginia by adding § 58.1-339.15 and § 58.1-416.1.

SUMMARY AS INTRODUCED:

Budget Bill. Amends items of and adds items to Chapter 2 of the Acts of Assembly of 2024, Special Session I.

5 Last Events

12/18/2024	House	Prefiled and ordered printed; Offered 01-08-2025 25103935D
12/18/2024	House	Referred to Committee on Appropriations

HB 1701 - Income tax; housing opportunity tax credit; sunset extended.

Chief Patron: Bulova

Status: In Committee

A BILL to amend and reenact §§ 58.1-439.29 and 58.1-439.30 of the Code of Virginia, relating to income tax; Virginia housing opportunity tax credit; sunset extended.

SUMMARY AS INTRODUCED:

Income tax; housing opportunity tax credit; sunset extended. Extends the housing opportunity tax credit sunset date from taxable year 2025 to taxable year 2030. The bill also increases the aggregate credit cap across all calendar years from \$255 million to \$1.505 billion and imposes an annual aggregate credit cap of \$250 million in each calendar year between 2026 and 2030. The bill also provides that of the \$250 million in credits authorized per calendar year from 2026 through 2030, 33 percent shall be reserved for qualified projects located in a geographic area within the Balance of State Pool, defined in the bill. This bill is a recommendation of the Virginia Housing Commission.

5 Last Events

01/04/2025	House	Prefiled and ordered printed; Offered 01-08-2025 25100868D
01/04/2025	House	Referred to Committee on Finance

HB 1717 - Earned income tax credit.

Chief Patron: Price

Status: In Committee

A BILL to amend and reenact § 58.1-339.8 of the Code of Virginia, relating to earned income tax credit.

SUMMARY AS INTRODUCED:

Earned income tax credit. Allows eligible low-income taxpayers to claim a refundable income tax credit equal to 20 percent of the federal earned income tax credit claimed that year by the taxpayer for the same taxable year. The bill also states that individuals who would have been entitled to the federal equivalent of this credit but for the fact that the individual, the individual's spouse, or one or more of the individual's children does not have a valid social security number are eligible to claim this credit. Under current law, taxpayers may choose to claim either a nonrefundable tax credit equal to 20 percent of the federal earned income tax credit claimed that year or a refundable tax credit equal to 15 percent of the federal earned income tax credit claimed that year.

5 Last Events

01/04/2025	House	Prefiled and ordered printed; Offered 01-08-2025 25101989D
01/04/2025	House	Referred to Committee on Finance

HB 1754 - Income tax; imposition of tax and standard deduction.

Chief Patron: Watts

Status: In Committee

A BILL to amend and reenact §§ 58.1-320 and 58.1-322.03 of the Code of Virginia, relating to income tax; imposition of tax and standard deduction.

SUMMARY AS INTRODUCED:

Income tax; imposition of tax and standard deduction. Adds, beginning in taxable year 2026, a new top income tax bracket such that a seven percent tax shall be imposed on Virginia taxable income in excess of \$600,000. Current law imposes a top tax bracket of five and three-quarters percent on income in excess of \$17,000. Additionally, the bill increases the standard deduction to \$12,000 for single individuals and \$24,000 for married individuals beginning in taxable year 2025 and indexes such deduction amount for inflation annually beginning in taxable year 2026.

5 Last Events

01/05/2025	House	Prefiled and ordered printed; Offered 01-08-2025 25102802D
01/05/2025	House	Referred to Committee on Finance

HB 1755 - Sales and use tax on services and digital personal property.

Chief Patron: Watts

Status: In Committee

A BILL to amend and reenact §§ 58.1-602, 58.1-603, as it is currently effective and as it may become effective, 58.1-603.1, as it is currently effective and as it may become effective, 58.1-603.2, 58.1-604.01, as it is currently effective and as it may become effective, 58.1-605.1, 58.1-606.1, 58.1-609.5, 58.1-609.11, 58.1-611.1, 58.1-612, 58.1-623, 58.1-638, 58.1-647, and 58.1-648, relating to sales and use tax on services and digital personal property.

SUMMARY AS INTRODUCED:

Sales and use tax on services and digital personal property. Levies the retail sales and use tax on the following services: admissions; charges for recreation, fitness, or sports facilities; nonmedical personal services or counseling; dry cleaning and laundry services; companion animal care; residential home repair or maintenance, landscaping, or cleaning services when paid for directly by a resident or homeowner; vehicle and engine repair; repairs or alterations to tangible personal property; storage of tangible personal property; delivery or shipping services; travel, event, and aesthetic planning services; and digital services. Digital services are defined in the bill as the following: software application services, computer-related services, website hosting and design, data storage, and digital subscription services. The services taxed under the bill includes any transaction for digital services where the purchaser or consumer of the service is a business but does not include any service otherwise exempt under law.

The bill also imposes the retail sales and use tax on digital personal property, defined in the bill as a digital product delivered electronically that the purchaser owns or has the ability to continually access without having to pay an additional subscription or usage fee to the seller after paying the initial purchase price.

Revenues generated by the taxes levied on services and digital personal property shall be allocated in the same manner as other sales and use taxes; however, revenues from the state portion of the sales and use tax that would be allocated to the general fund shall instead be allocated to school divisions as follows: (i) 60 percent shall be distributed to localities on the basis of school-age population and (ii) 40 percent shall be distributed to localities on the basis of the high-need student population in the locality. The bill clarifies that a high-need student population includes students who are (a) automatically certified for free school meals because of participation in social services programs, (b) participants in a program of special education, or (c) English language learners.

The bill provides certain exemptions to the sales and use tax on services, including health care services that must be performed by a person licensed or certified by the Department of Health Professions, veterinary services, professional services, Internet access services, and services provided by a person who does not receive more than \$2,500 per year in gross receipts for performance of such services. The bill exempts services purchased by a nonprofit organization and services purchased by a homeowners' association or by a landlord for the benefit of his tenant. The bill also repeals the service exemptions currently provided for the sale of custom programs and modification of prewritten programs.

Finally, the bill exempts food purchased for human consumption and essential personal hygiene products from all state, local, and regional sales taxes on and after July 1, 2025. Under current law, food purchased for human consumption and essential personal hygiene products are subject only to the one percent local option sales tax.

5 Last Events

01/05/2025	House	Prefiled and ordered printed; Offered 01-08-2025 25102779D
01/05/2025	House	Referred to Committee on Finance

HB 1866 - Corporate income tax; sourcing of sales other than sales of tangible personal property.

Chief Patron: McNamara

Status: In Committee

A BILL to amend and reenact §§ 58.1-416, as it is currently effective and as it may become effective, 58.1-419, 58.1-422.4, and 58.1-422.5 of the Code of Virginia; to amend the Code of Virginia by adding a section numbered 58.1-416.1; and to repeal the third enactments of Chapters 256 and 257 of the Acts of Assembly of 2022, relating to sourcing of certain sales.

SUMMARY AS INTRODUCED:

Corporate income tax; sourcing of sales other than sales of tangible personal property. Implements market-based corporate income tax sourcing for attributing sales, other than sales of tangible personal property, to Virginia beginning in taxable year 2026.

5 Last Events

01/06/2025	House	Prefiled and ordered printed; Offered 01-13-2025 25104097D
01/06/2025	House	Referred to Committee on Finance

HB 1896 - Real property tax; exemption by classification.

Chief Patron: Willett

Status: In Committee

A BILL to amend and reenact § 58.1-3606 of the Code of Virginia, relating to real property tax; exemption by classification.

SUMMARY AS INTRODUCED:

Real property tax; exemption by classification. Provides that the property of an organization that is tax exempt by classification includes the property of a single member limited liability company whose sole member is such an organization.

5 Last Events

01/06/2025	House	Prefiled and ordered printed; Offered 01-13-2025 25101024D
01/06/2025	House	Referred to Committee on Finance

HB 1965 - Income tax, state; deduction for tips and overtime compensation.

Chief Patron: Tata

Status: In Committee

A BILL to amend and reenact § 58.1-322.03 of the Code of Virginia, relating to income tax deduction; tips and overtime compensation.

SUMMARY AS INTRODUCED:

Income tax deduction; tips and overtime compensation. Provides, for taxable years beginning on and after January 1, 2026, an income tax deduction for the amount of tips received during the taxable year that are included on statements furnished to the employer for federal tax purposes. The bill also establishes, for taxable years beginning on and after January 1, 2026, an income tax deduction for any overtime compensation, defined in the bill, received by an employee who is not exempt from overtime compensation rules pursuant to the federal Fair Labor Standards Act.

5 Last Events

01/06/2025	House	Prefiled and ordered printed; Offered 01-13-2025 25102486D
01/06/2025	House	Referred to Committee on Finance

Chief Patron: Watts

Status: In Committee

A BILL to amend and reenact §§ 58.1-321, 58.1-322.03, 58.1-332, 58.1-339.8, 58.1-339.13, 58.1-390.3, 58.1-408, 58.1-439, 58.1-439.6:1, 58.1-439.7, 58.1-439.12:04, 58.1-439.12:05, 58.1-439.12:08, 58.1-439.12:11, 58.1-439.30, 58.1-609.1, 58.1-609.6, and 58.1-609.10 of the Code of Virginia, relating to taxation; extension of expiring sunsets; one-year extension for exemptions set to expire for taxable year 2025; exemptions for discharged loans for eligible veterans; credit for amounts paid to another state for income tax paid by a pass-through entity; deduction for eligible educator expenses; subtractions from property and payroll apportionment factors for eligible companies; elections to be taxed at entity level for eligible owners of a pass-through entities; tax credits for reforestation and afforestation, low-income taxpayers, major business facility jobs, worker training, purchase of machinery and equipment used for advanced recycling and processing recyclable materials, green and alternative energy job creation, research and development expenses, major research and development expenses, Virginia housing opportunity, and participating landlords renting qualified housing units in eligible non-metropolitan census tracts; exemption from sales and use taxation for certain printed materials purchased from an advertising business, parts, engines, and supplies for aviation component parts, prescription medicines and drugs purchased by veterinarians, and gold, silver, or platinum bullion or legal tender coins.

SUMMARY AS INTRODUCED:

Taxation; extension of expiring sunsets. Extends to taxable year 2026:

1. The exemption for discharged loans for eligible veterans currently set to expire January 1, 2026;
2. The credit for amounts paid to another state for income taxes of a pass-through entity currently set to expire January 1, 2026;
3. The deduction for eligible educator expenses currently set to expire January 1, 2025;
4. The tax credit for low-income taxpayers currently set to expire January 1, 2026;
5. The tax credit for reforestation and afforestation currently set to expire January 1, 2025;
6. The election for eligible owners of pass-through entities to be taxed at the entity level currently set to expire January 1, 2026;
7. The subtractions from the numerators of the property and payroll apportionment factors for eligible companies for (i) property acquired in any qualified locality before January 1, 2025, and (ii) payroll attributable to jobs created within such locality before January 1, 2025;
8. The major business facility job tax credit currently set to expire July 1, 2025;
9. The worker training tax credit for (i) expenses incurred by a business for eligible worker training currently set to expire July 1, 2025, and (ii) direct costs incurred by a business engaged primarily in manufacturing in conducting orientation, instruction, and training in the Commonwealth, relating to the manufacturing activities undertaken by the business currently set to expire January 1, 2025;

10. The tax credit for purchase of machinery and equipment used for advanced recycling and processing recyclable materials currently set to expire January 1, 2025;
11. The tax credit for participating landlords renting qualified housing units (i) in eligible census tracts currently set to expire January 1, 2026, and (ii) in eligible non-metropolitan census tracts currently set to expire January 1, 2026;
12. The tax credit for green and alternative energy job creation currently set to expire January 1, 2025;
13. The tax credit for qualified research and development expenses currently set to expire January 1, 2025;
14. The tax credit for Virginia qualified major research and development expenses currently set to expire January 1, 2025;
15. The tax credit for Virginia housing opportunity for qualified projects currently set to expire January 1, 2026;
16. The exemption from sales and use taxation for gold, silver, or platinum bullion or legal tender coins currently set to expire June 30, 2025;
17. The exemption from sales and use taxation for certain printed materials purchased from an advertising business from a printer within the Commonwealth and distributed outside the Commonwealth before July 1, 2025; and
18. The exemptions from sales and use taxation for (i) parts, engines, and supplies for aviation component parts currently set to expire July 1, 2025, and (ii) prescription medicines and drugs purchased by veterinarians currently set to expire July 1, 2025.

5 Last Events

01/06/2025	House	Prefiled and ordered printed; Offered 01-13-2025 25104148D
01/06/2025	House	Referred to Committee on Finance

HB 1997 - Income tax, state; pass-through entities, sunset.

Chief Patron: McNamara

Status: In Committee

A BILL to amend and reenact § 58.1-390.3 of the Code of Virginia, relating to income tax; pass-through entities; sunset.

SUMMARY AS INTRODUCED:

Income tax; pass-through entities; sunset. Removes the sunset for the elective entity level tax on pass-through entities which is currently set to expire after taxable year 2025.

5 Last Events

01/07/2025	House	Prefiled and ordered printed; Offered 01-13-2025 25101843D
01/07/2025	House	Referred to Committee on Finance

HB 2004 - Local meals and prepared food and beverage taxes; maximum rate.

Chief Patron: McNamara

Status: In Committee

A BILL to amend and reenact §§ 58.1-3833 and 58.1-3840 of the Code of Virginia, relating to local meals and food and beverage taxes; maximum rate.

SUMMARY AS INTRODUCED:

Local meals and prepared food and beverage taxes; maximum rate. Provides a cap on the maximum allowable tax rate that localities may impose on meals and prepared food and beverages. The bill sets the maximum rate at no more than four percent, unless a higher rate of no more than six percent is authorized via a referendum in the locality. The new limitation applies to localities beginning January 1, 2028. In the case of a town, the maximum rate is limited by the amount of any food and beverage tax imposed by the county in which the town is located. The bill requires that no town shall impose any rate if, when added to the county food and beverage tax rate, such tax rate exceeds the four or six percent limit, as applicable.

5 Last Events

01/07/2025	House	Prefiled and ordered printed; Offered 01-13-2025 25100561D
01/07/2025	House	Referred to Committee on Finance

HB 2006 - RS and UT food purchased for human consumption and essential personal hygiene products.

Chief Patron: McNamara

Status: In Committee

A BILL to amend and reenact §§ 58.1-603.1, as it is currently effective and as it may become effective, 58.1-603.2, 58.1-604.01, as it is currently effective and as it may become effective, 58.1-605.1, 58.1-606.1, and 58.1-611.1 of the Code of Virginia, relating to sales and use tax; food purchased for human consumption and essential personal hygiene products.

SUMMARY AS INTRODUCED:

Sales and use tax; food purchased for human consumption and essential personal hygiene products. Eliminates, beginning July 1, 2025, the remaining one percent local sales and use tax that is imposed on food purchased for human consumption and essential personal hygiene products. Under current law, no other sales and use tax is currently applied to such products. The bill requires an equivalent amount of revenue to be distributed to cities and counties on a monthly basis in compensation for the lost tax revenue.

5 Last Events

01/07/2025	House	Prefiled and ordered printed; Offered 01-13-2025 25101491D
01/07/2025	House	Referred to Committee on Finance

HB 2007 - Retail Sales and Use Tax; sales through vending machines.

Chief Patron: McNamara

Status: In Committee

A BILL to amend and reenact § 58.1-614, as it is currently effective and as it may become effective, of the Code of Virginia, relating to sales and use tax; sales through vending machines.

SUMMARY AS INTRODUCED:

Sales and use tax; sales through vending machines. Provides that, beginning January 1, 2026, only a one percent local sales and use tax shall be applied to sales through vending machines of food purchased for human consumption or essential personal hygiene products. Under current law, the rate applicable to such sales is 5.3 percent or 6.0 percent, as applicable depending on the locality, plus the one percent local sales and use tax.

5 Last Events

01/07/2025	House	Prefiled and ordered printed; Offered 01-13-2025 25100565D
01/07/2025	House	Referred to Committee on Finance

HB 2062 - Income tax exclusion; veteran student loan forgiveness.

Chief Patron: Garrett

Status: In Committee

A BILL to amend and reenact § 58.1-321 of the Code of Virginia, relating to income tax exclusion; veteran student loan forgiveness.

SUMMARY AS INTRODUCED:

Income tax exclusion; veteran student loan forgiveness. Eliminates the sunset date and expands eligibility for the income tax exclusion for any income received by a disabled veteran of the Armed Forces of the United States from the discharge of federal student loan indebtedness.

5 Last Events

01/07/2025	House	Prefiled and ordered printed; Offered 01-13-2025 25101791D
01/07/2025	House	Referred to Committee on Finance

HB 2086 - Income tax; energy efficient homes tax credits.

Chief Patron: Shin

Status: In Committee

A BILL to amend the Code of Virginia by adding in Article 13 of Chapter 3 of Title 58.1 a section numbered 58.1-439.12:13, relating to income tax; energy efficient homes tax credits.

SUMMARY AS INTRODUCED:

Income tax; energy efficient homes tax credits. Authorizes an eligible contractor, defined in the bill, to claim a nonrefundable income tax credit, during taxable years 2025 through 2029, in an amount equal to \$1,000 per construction of a qualified new energy efficient home and \$2,000 per construction of a zero energy ready home, as those terms are defined in the bill. The bill establishes a maximum credit amount that an eligible contractor may claim per taxable year of \$250,000.

5 Last Events

01/07/2025	House	Prefiled and ordered printed; Offered 01-13-2025 25104582D
01/07/2025	House	Referred to Committee on Finance

HB 2180 - Child tax credit; Virginia adjusted gross income.

Chief Patron: Tran

Status: Committee Referral Pending

A BILL to amend the Code of Virginia by adding in Article 3 of Chapter 3 of Title 58.1 a section numbered 58.1-339.15, relating to child tax credit; Virginia adjusted gross income.

SUMMARY AS INTRODUCED:

Child tax credit; Virginia adjusted gross income. Creates a one-time tax credit in taxable years 2025 through 2029 for taxpayers whose households include dependents younger than 12 years of age and whose family Virginia adjusted gross income, defined in the bill, does not exceed \$100,000. Such credit shall be in an amount equal to \$300 for each such dependent and only one credit may be claimed for each such dependent. The bill provides that if the taxpayer is a resident of the Commonwealth for the full taxable year, the credit is refundable. Otherwise, the credit is nonrefundable.

5 Last Events

01/07/2025	House	Prefiled and ordered printed; Offered 01-08-2025 25104436D
01/07/2025	House	Committee Referral Pending

HB 2333 - Imposition of income tax.

Chief Patron: Hernandez

Status: Committee Referral Pending

A BILL to amend and reenact § 58.1-320 of the Code of Virginia and to amend the Code of Virginia by adding a section numbered 58.1-320.1, relating to imposition of income tax.

SUMMARY AS INTRODUCED:

Imposition of income tax. Establishes a new income tax bracket beginning on and after January 1, 2025, that taxes income in excess of \$1 million at a rate of 10 percent. Currently, all income in excess of \$17,000 is taxed at the rate of 5.75 percent. The bill provides that, from the additional revenue generated from such increased tax rate upon income in excess of \$1 million, 50 percent will be dedicated to providing additional basic aid funding for public schools, 30 percent will be dedicated to the Child Care Subsidy Program, and 20 percent will be dedicated to the Virginia Housing Trust Fund. The bill contains technical amendments.

5 Last Events

01/08/2025	House	Prefiled and ordered printed; Offered 01-08-2025 25101304D
01/08/2025	House	Committee Referral Pending

HB 2345 - Child day-care facility investment and child day-care expense reimbursement tax credits.

Chief Patron: Obenshain

Status: Committee Referral Pending

A BILL to amend and reenact § 58.1-439.4 of the Code of Virginia, relating to child day-care facility investment and child day-care expense reimbursement tax credits.

SUMMARY AS INTRODUCED:

Child day-care facility investment and child day-care expense reimbursement tax credits. Allows a taxpayer to claim a nonrefundable income tax credit for 25 percent of amounts incurred for eligible child day-care expenses of the taxpayer's employees that are either paid directly by the taxpayer or reimbursed by such taxpayer to the taxpayer's employees during the taxable year. The bill also increases from \$25,000 to \$50,000 the amount for which a taxpayer may claim a credit for establishing a child day-care facility for taxable years beginning on and after January 1, 2026. Finally, approval of applications for the credits shall be limited to those that are assumed to result in no more than \$200,000 of credits in any fiscal year. Under current law, such limit is \$100,000.

5 Last Events

01/08/2025	House	Prefiled and ordered printed; Offered 01-08-2025 25102783D
01/08/2025	House	Committee Referral Pending

HB 2382 - Land preservation tax credit; maximum amount increase.

Chief Patron: Higgins

Status: Committee Referral Pending

A BILL to amend and reenact § 58.1-512 of the Code of Virginia, relating to land preservation tax credit.

SUMMARY AS INTRODUCED:

Land preservation tax credit; maximum amount increase. Increases from \$75 million to \$100 million, beginning in 2025, the maximum amount of land preservation tax credits that may be issued in a calendar year and adjusts such amount each year for inflation using the Consumer Price Index for All Urban Consumers. The bill also requires the Governor to submit a recommended appropriation each year in the Budget Bill, or as amendments to the general appropriations act, from the General Fund in an amount equal to the difference between the inflation adjusted annual credit cap and \$100 million, but not more than \$25 million, for purposes described in the bill.

5 Last Events

01/08/2025	House	Prefiled and ordered printed; Offered 01-08-2025 25102823D
01/08/2025	House	Committee Referral Pending

HB 2506 - Income tax; energy-efficient homes tax credits.

Chief Patron: Runion

Status: Committee Referral Pending

A BILL to amend the Code of Virginia by adding in Article 13 of Chapter 3 of Title 58.1 a section numbered 58.1-439.12:13, relating to income tax; energy-efficient homes tax credits.

SUMMARY AS INTRODUCED:

Income tax; energy-efficient homes tax credits. Authorizes an eligible contractor, defined in the bill, or an eligible purchaser, also defined in the bill, to claim a nonrefundable income tax credit, during taxable years 2025 through 2029, in an amount equal to \$2,000 per construction or purchase of a qualified new energy-efficient home and \$4,000 per construction or purchase of a zero energy ready home, as those terms are defined in the bill. The bill clarifies that either an eligible contractor or an eligible purchaser, but not both, shall be able to claim the credit for any single qualified new energy-efficient or zero energy ready home, as applicable, and establishes a maximum credit amount that an eligible contractor may claim per taxable year of \$500,000.

5 Last Events

01/08/2025	House	Prefiled and ordered printed; Offered 01-08-2025 25104389D
01/08/2025	House	Committee Referral Pending

HB 2524 - Taxable income; subtractions; military benefits.

Chief Patron: Fowler

Status: Committee Referral Pending

A BILL to amend and reenact § 58.1-322.02 of the Code of Virginia, relating to taxable income; subtractions; military benefits.

SUMMARY AS INTRODUCED:

Taxable income; subtractions; military benefits. Removes the current cap of \$40,000 of military benefits that may be subtracted from Virginia taxable income for taxable years beginning on and after January 1, 2026, such that the total amount of military benefits may be subtracted from such income.

5 Last Events

01/08/2025	House	Prefiled and ordered printed; Offered 01-08-2025 25101389D
01/08/2025	House	Committee Referral Pending

HB 2544 - Codification of tax preferences in effect pursuant to the appropriation act.

Chief Patron: Watts

Status: Committee Referral Pending

A BILL to amend and reenact §§ 46.2-694, as it is currently effective and as it may become effective, 58.1-608.3, and 58.1-609.3 of the Code of Virginia and to amend the Code of Virginia by adding in Chapter 8 of Title 58.1 a section numbered 58.1-818 and by adding a section numbered 58.1-2295.2, relating to codification of tax preferences in effect pursuant to the appropriation act.

SUMMARY AS INTRODUCED:

Codification of tax preferences in effect pursuant to the appropriation act. Codifies certain tax and fee provisions that are in effect under current law pursuant to provisions of the appropriation act. The provisions are (i) an annual vehicle registration fee increase of \$2 that is used for emergency medical services, (ii) a clarification of the amount of sales tax revenue pledged to public facility projects, (iii) a sales and use tax exemption for tangible personal property purchased by a federally funded research and development center, (iv) an additional \$20 recordation fee that is used for conservation purposes, and (v) a clarification that aviation fuel is not subject to the regional gas tax.

5 Last Events

01/10/2025	House	Prefiled and ordered printed; Offered 01-08-2025 25104179D
01/10/2025	House	Committee Referral Pending

HB 2549 - Individual income taxes; creation of currently not collectible status.

Chief Patron: Clark

Status: Committee Referral Pending

A BILL to amend and reenact §§ 58.1-351, 58.1-455, 58.1-1802.1, 58.1-1805, and 58.1-1817 of the Code of Virginia and to amend the Code of Virginia by adding a section numbered 58.1-1802.3, relating to individual income taxes; creation of currently not collectible status.

SUMMARY AS INTRODUCED:

Individual income taxes; creation of currently not collectible status. Directs the Department of Taxation to create a form through which taxpayers may file for currently not collectible status. The Department may place an applicant into such status upon a finding that the collection of income taxes from such applicant would create or exacerbate an undue hardship for such applicant. Such applicant shall reapply for such status annually and shall not be eligible for such status for any single tax assessment for a total of more than five years from the date that the original application for such status was approved.

5 Last Events

01/10/2025	House	Prefiled and ordered printed; Offered 01-08-2025 25102759D
01/10/2025	House	Committee Referral Pending

HB 2567 - Department of Taxation; evaluation of income tax subtraction for military benefits received by members of the uniformed services; report.

Chief Patron: Leftwich

Status: Committee Referral Pending

A BILL to direct the Department of Taxation to determine the fiscal impact of extending the income tax subtraction for military benefits to members of the uniformed services; report.

SUMMARY AS INTRODUCED:

Department of Taxation; evaluation of income tax subtraction for military benefits received by members of the uniformed services; report. Directs the Department of Taxation (the Department) to evaluate the effects of extending of extending the income tax subtraction for military benefits to military retirement income paid to a veteran or the surviving spouse of a veteran for such veteran's service in the uniformed services, defined in federal law as the armed forces, the commissioned corps of the U.S. Public Health Service, and the commissioned corps of the U.S. National Oceanic and Atmospheric Administration. Current law restricts such income tax subtraction to certain military benefits received for service in the armed forces. The bill directs the Department to submit a report of its findings and any recommendations to the Chairmen on the House Committee on Finance and the Senate Committee on Finance and Appropriations no later than November 30, 2025.

5 Last Events

01/12/2025	House	Prefiled and ordered printed; Offered 01-13-2025 25104583D
01/12/2025	House	Committee Referral Pending

HB 2575 - Income tax; subtraction; retirement income of certain federal employees.

Chief Patron: Leftwich

Status: Committee Referral Pending

A BILL to amend and reenact § 58.1-322.02 of the Code of Virginia, relating to income tax; subtraction; retirement income of certain federal employees.

SUMMARY AS INTRODUCED:

Income tax; subtraction; retirement income of certain federal employees. Establishes, beginning in taxable year 2025, an individual income tax subtraction for 20 percent of the retirement income of retirees covered under the federal Civil Service Retirement System (CSRS).

5 Last Events

01/12/2025	House	Prefiled and ordered printed; Offered 01-13-2025 25101309D
01/12/2025	House	Committee Referral Pending

HJ 40 - Land value; DHCD to study tax implications of local governing bodies implementing a tax.

Chief Patron: Shin

Status: Failed

Requesting the Department of Housing and Community Development to study tax implications of local governing bodies implementing a land value tax. Report.

24102341D

SUMMARY AS INTRODUCED:

Study; Department of Housing and Community Development; tax implications of implementing a land value tax; report. Directs the Department of Housing and Community Development to study tax implications of local governing bodies implementing a land value tax.

5 Last Events

01/09/2024	House	Prefiled and ordered printed; offered 01/10/24 24102341D
01/09/2024	House	Referred to Committee on Rules
02/01/2024	House	Continued to 2025 in Rules (Voice Vote)
11/18/2024	House	Left in Rules

HJ 442 - Study; tax policies enacted by the Commonwealth and its political subdivisions concerning affordable housing; report.

Chief Patron: Orrock

Status: Committee Referral Pending

Directing the Virginia Housing Commission to study the tax policies enacted by the Commonwealth and its political subdivisions concerning affordable housing. Report.

SUMMARY AS INTRODUCED:

Study; tax policies enacted by the Commonwealth and its political subdivisions concerning affordable housing; report. Directs the Virginia Housing Commission to study the tax policies enacted by the Commonwealth and its political subdivisions concerning affordable housing and submit its report by the first day of the 2026 Regular Session of the General Assembly.

5 Last Events

01/06/2025	House	Prefiled and ordered printed; Offered 01-08-2025 25101591D
01/06/2025	House	Committee Referral Pending

HJ 451 - Study; Department of Housing and Community Development; tax implications of allowing localities to implement a land value tax; report.

Chief Patron: Shin

Status: Committee Referral Pending

Requesting the Department of Housing and Community Development to study the potential tax implications of allowing local governing bodies to implement a land value tax. Report.

SUMMARY AS INTRODUCED:

Study; Department of Housing and Community Development; tax implications of allowing localities to implement a land value tax; report. Directs the Department of Housing and Community Development to study the potential tax implications that may result from each of the governing bodies of the Cities of Fairfax, Poquoson, Richmond, and Roanoke levying a land value tax and the potential tax implications that may result from allowing all local governing bodies to implement a land value tax.

5 Last Events

01/07/2025	House	Prefiled and ordered printed; Offered 01-08-2025 25100816D
01/07/2025	House	Committee Referral Pending

SB 183 - Income tax, state; eligible low-income taxpayers to claim a refundable tax credit.

Chief Patron: Rouse

Status: Failed

A BILL to amend and reenact § 58.1-339.8 of the Code of Virginia, relating to earned income tax credit.

24103117D

SUMMARY AS INTRODUCED:

Earned income tax credit. Allows eligible low-income taxpayers to claim a refundable income tax credit equal to 20 percent of the federal earned income tax credit claimed that year by the taxpayer for the same taxable year. The bill also states that individuals who would have been entitled to the federal equivalent of this credit but for the fact that the individual, the individual's spouse, or one or more of the individual's children does not have a valid social security number are eligible to claim this credit.

5 Last Events

01/08/2024	Senate	Referred to Committee on Finance and Appropriations
01/28/2024	Senate	Impact statement from TAX (SB183)
02/06/2024	Senate	Senate subcommittee amendments and substitutes offered
02/07/2024	Senate	Continued to 2025 in Finance and Appropriations (15-Y O-N)
11/19/2024	Senate	Left in Finance and Appropriations

SB 192 - Sales and use tax exemption; data centers.

Chief Patron: Subramanyam

Status: Failed

A BILL to amend and reenact § 58.1-609.3 of the Code of Virginia, relating to sales and use tax exemption; data centers.

24102742D

SUMMARY AS INTRODUCED:

Sales and use tax exemption; data centers. Requires data center operators to meet certain energy efficiency standards in order to be eligible for the sales and use tax exemption for data center purchases. Under the bill, a data center operator shall be eligible for the exemption only if such operator demonstrates that (i) its facilities either (a) have a power usage effectiveness score of no greater than 1.2 or (b) for data centers co-located in buildings with other commercial uses, achieve an energy efficiency level of no less than the most efficient 15 percent of similar buildings constructed in the previous five years and (ii) it will procure carbon-free renewable energy and associated renewable energy certificates from facilities equal to 90 percent of its electricity requirements or that its electricity will be otherwise derived from non-carbon-emitting, renewable sources.

5 Last Events

01/08/2024	Senate	Prefiled and ordered printed; offered 01/10/24 24102742D
01/08/2024	Senate	Referred to Committee on Finance and Appropriations
01/23/2024	Senate	Impact statement from TAX (SB192)
01/30/2024	Senate	Continued to 2025 in Finance and Appropriations (14-Y 1-N)
11/19/2024	Senate	Left in Finance and Appropriations

SB 419 - Family caregiver; creates a nonrefundable income tax credit for taxable years 2024 through 2028.

Chief Patron: Head

Status: Failed

A BILL to amend the Code of Virginia by adding in Article 3 of Chapter 3 of Title 58.1 a section numbered 58.1-339.15, relating to family caregiver tax credit.

24104631D

SUMMARY AS INTRODUCED:

Family caregiver tax credit. Creates a nonrefundable income tax credit for taxable years 2024 through 2028 for expenses incurred by an individual in caring for an eligible family member, defined in the bill, who requires assistance with one or more activities of daily living, also defined in the bill. The credit equals 50 percent of eligible expenditures incurred by the caregiver up to \$1,000. In order to qualify for the credit, the family caregiver must (i) not receive any compensation or reimbursement for the eligible expenditures and (ii) have federal adjusted gross income that is no greater than \$100,000 for an individual or \$200,000 for married persons.

5 Last Events

01/09/2024	Senate	Prefiled and ordered printed; offered 01/10/24 24104631D
01/09/2024	Senate	Referred to Committee on Finance and Appropriations
01/27/2024	Senate	Impact statement from TAX (SB419)
02/07/2024	Senate	Continued to 2025 in Finance and Appropriations (11-Y 4-N)
11/19/2024	Senate	Left in Finance and Appropriations

SB 451 - Income tax, corporate; distribution of revenues to state parks.

Chief Patron: Marsden

Status: Failed

A BILL to amend and reenact § 10.1-202 of the Code of Virginia and to amend the Code of Virginia by adding a section numbered 58.1-400.01, relating to corporate income tax; distribution of revenues; state parks.

24100153D

SUMMARY AS INTRODUCED:

Corporate income tax; distribution of revenues; state parks. Requires five percent beginning July 1, 2024, of all corporate income tax revenues to be distributed to the State Park Conservation Resources Fund to provide (i) free entry to Virginia state parks and (ii) the conservation, development, maintenance, and operations of state parks acquired or held by the Department of Conservation and Recreation as provided in the appropriation act. The bill provides that such distribution shall not reduce the total amount of annual appropriations for the Department and the Fund below the total amounts appropriated for the most recent fiscal year ending before July 1, 2024, except as provided by a subsequent appropriation act.

5 Last Events

01/09/2024	Senate	Prefiled and ordered printed; offered 01/10/24 24100153D
01/09/2024	Senate	Referred to Committee on Finance and Appropriations
01/27/2024	Senate	Impact statement from TAX (SB451)
02/06/2024	Senate	Continued to 2025 in Finance and Appropriations (15-Y 0-N)
11/19/2024	Senate	Left in Finance and Appropriations

SB 459 - Income tax, state; rolling conformity.

Chief Patron: Marsden

Status: Failed

A BILL to amend and reenact § 58.1-301 of the Code of Virginia, relating to income tax; rolling conformity.

24101327D

SUMMARY AS INTRODUCED:

Income tax; rolling conformity. Provides that when Virginia does not conform on a rolling basis to federal tax laws due to any changes in a single act of Congress with an impact of more than \$15 million on revenues in the year in which the amendment was enacted or any of the next four years, such nonconformity shall not be considered for purposes of calculating the nonconformity threshold for all amendments in a year with a cumulative projected impact of more than \$75 million in the year in which the amendments were enacted or any of the next four years.

5 Last Events

01/09/2024	Senate	Referred to Committee on Finance and Appropriations
01/16/2024	Senate	Impact statement from TAX (SB459)
02/06/2024	Senate	Senate subcommittee amendments and substitutes offered
02/07/2024	Senate	Continued to 2025 in Finance and Appropriations (13-Y 2-N)
11/19/2024	Senate	Left in Finance and Appropriations

SB 632 - Income tax, state; decreases certain taxes, increases amount of tax credit.

Chief Patron: Stuart

Status: Failed

A BILL to amend and reenact §§ 33.2-1524, 58.1-320, 58.1-339.8, 58.1-439.26, 58.1-602, 58.1-603, as it is currently effective and as it may become effective, 58.1-604, as it is currently effective, 58.1-609.5, 58.1-609.11, 58.1-612, 58.1-623, 58.1-638, and 58.1-648 of the Code of Virginia, relating to taxation.

24103290D

SUMMARY AS INTRODUCED:

Taxation. Decreases, beginning in taxable year 2025, the income tax imposed (i) on income less than \$3,000, from two percent to 1.75 percent; (ii) on income in excess of \$3,000 but less than \$5,000, from three percent to 2.65 percent; (iii) on income in excess of \$5,000 but less than \$17,000, from five percent to 4.4 percent; and (iv) on income in excess of \$17,000, from 5.75 percent to 5.1 percent.

The bill increases from 20 to 25 percent, beginning in taxable year 2025, the amount of credit eligible taxpayers may claim pursuant to the income tax credit for low-income taxpayers. The bill also increases the annual aggregate amount of Education Improvement Scholarships tax credits that are available from \$25 million to \$30 million beginning fiscal year 2025 and each fiscal year thereafter.

The bill defines "digital personal property," "streaming," and "taxable service" for the purposes of the retail sales and use tax. The bill increases the sales and use tax from 4.3 percent to 5.2 percent. Amendments are made throughout the bill to impose the sales and use tax on taxable services in addition to tangible personal property. The bill requires that one half of the additional sales and use tax revenues generated by taxable services and digital personal property that is deposited in the Commonwealth Transportation Fund be distributed to the Transportation Partnership Opportunity Fund, and the additional one half of such revenues be distributed to the Interstate 81 Corridor Improvement Fund until June 30, 2031, or until \$400 million has been deposited in the Interstate 81 Corridor Improvement Fund. Certain provisions of the bill have a delayed effective date of January 1, 2025.

5 Last Events

01/10/2024	Senate	Prefiled and ordered printed; offered 01/10/24 24103290D
01/10/2024	Senate	Referred to Committee on Finance and Appropriations
01/31/2024	Senate	Impact statement from TAX (SB632)
02/06/2024	Senate	Continued to 2025 in Finance and Appropriations (14-Y 1-N)
11/19/2024	Senate	Left in Finance and Appropriations

SB 782 - Income tax, state; deductions and earned income tax credit, removes sunset.

Chief Patron: Suetterlein

Status: In Committee

A BILL to amend and reenact §§ 58.1-322.03 and 58.1-339.8 of the Code of Virginia, relating to income tax; deductions and earned income tax credit; sunset.

SUMMARY AS INTRODUCED:

Income tax; deductions and earned income tax credit; sunset. Removes the current January 1, 2026 expiration date for the standard deduction in the amount of \$8,500 for single individuals and \$17,000 for married individuals. Current law provides that on and after January 1, 2026, the standard deduction shall revert back to the amounts that existed before taxable year 2019, which was \$3,000 for individuals and \$6,000 for married individuals.

The bill also removes the current January 1, 2026 expiration date from the partially refundable credit that an individual or married individuals may claim against their Virginia income tax liability in an amount equal to 15 percent of the federal earned income tax credit claimed by an individual or married individuals for federal earned income tax purposes.

5 Last Events

12/27/2024	Senate	Prefiled and ordered printed; Offered 01-08-2025 25103608D
12/27/2024	Senate	Referred to Committee on Finance and Appropriations

SB 810 - Income tax, state; eligible low-income taxpayers to claim a refundable income tax credit.

Chief Patron: Rouse

Status: In Committee

A BILL to amend and reenact § 58.1-339.8 of the Code of Virginia, relating to earned income tax credit.

SUMMARY AS INTRODUCED:

Earned income tax credit. Allows eligible low-income taxpayers to claim a refundable income tax credit equal to 20 percent of the federal earned income tax credit claimed that year by the taxpayer for the same taxable year. The bill also states that individuals who would have been entitled to the federal equivalent of this credit but for the fact that the individual, the individual's spouse, or one or more of the individual's children does not have a valid social security number are eligible to claim this credit. Under current law, taxpayers may choose to claim either a nonrefundable tax credit equal to 20 percent of the federal earned income tax credit claimed that year or a refundable tax credit equal to 15 percent of the federal earned income tax credit claimed that year.

5 Last Events

12/30/2024	Senate	Prefiled and ordered printed; Offered 01-08-2025 25101303D
12/30/2024	Senate	Referred to Committee on Finance and Appropriations

SB 845 - Virginia taxable income; standard deduction; sunset.

Chief Patron: Stuart

Status: In Committee

A BILL to amend and reenact § 58.1-322.03 of the Code of Virginia, relating to Virginia taxable income; standard deduction; sunset.

SUMMARY AS INTRODUCED:

Virginia taxable income; standard deduction; sunset. Removes the sunset on elevated standard deduction amounts for single individuals and married persons that is scheduled to expire for taxable years beginning on and after January 1, 2026.

5 Last Events

01/02/2025	Senate	Prefiled and ordered printed; Offered 01-08-2025 25101012D
01/02/2025	Senate	Referred to Committee on Finance and Appropriations

SB 865 - Income tax, state; subtractions of military benefits.

Chief Patron: Reeves

Status: In Committee

A BILL to amend and reenact § 58.1-322.02 of the Code of Virginia, relating to taxable income; subtractions; military benefits.

SUMMARY AS INTRODUCED:

Taxable income; subtractions; military benefits. Removes the current cap of \$40,000 of military benefits that may be subtracted from Virginia taxable income for taxable years beginning on and after January 1, 2026, such that the total amount of military benefits may be subtracted from such income.

5 Last Events

01/03/2025	Senate	Prefiled and ordered printed; Offered 01-08-2025 25103023D
01/03/2025	Senate	Referred to Committee on Finance and Appropriations

SB 871 - Retail Sales and Use Tax; media-related exemptions, sunset.

Chief Patron: VanValkenburg

Status: In Committee

A BILL to amend and reenact § 58.1-609.6 of the Code of Virginia, relating to retail sales and use tax; media-related exemptions; sunset.

SUMMARY AS INTRODUCED:

Retail sales and use tax; media-related exemptions; sunset. Extends from 2025 to 2028 the expiration of the retail sales and use tax exemption for certain printed materials purchased by an advertising business from a printer in the Commonwealth, so long as such materials are distributed outside of the Commonwealth.

5 Last Events

01/03/2025	Senate	Prefiled and ordered printed; Offered 01-08-2025 25102134D
01/03/2025	Senate	Referred to Committee on Finance and Appropriations

SB 895 - Real property tax; surviving spouses of members of armed forces who died in line of duty.

Chief Patron: Rouse

Status: In Committee

A BILL to amend and reenact § 58.1-3219.9 of the Code of Virginia, relating to real property tax exemption; surviving spouses of members of the armed forces who died in the line of duty.

SUMMARY AS INTRODUCED:

Real property tax exemption; surviving spouses of members of the armed forces who died in the line of duty. Authorizes localities by ordinance to provide a total exemption from real property taxes regardless of assessed value beginning in tax years beginning on and after January 1, 2025, for surviving spouses of members of the armed forces who died in the line of duty. Under law effective January 1, 2025, a total exemption is only allowed for such surviving spouses for those dwellings in the locality with assessed values in the most recently ended tax year that are not in excess of the average assessed value for such year of a dwelling situated on property that is zoned as single family residential.

5 Last Events

01/04/2025	Senate	Prefiled and ordered printed; Offered 01-08-2025 25101300D
01/04/2025	Senate	Referred to Committee on Finance and Appropriations

SB 943 - Income tax; subtraction; retirement income of certain federal employees.

Chief Patron: DeSteph

Status: In Committee

A BILL to amend and reenact § 58.1-322.02 of the Code of Virginia, relating to income tax; subtraction; retirement income of certain federal employees.

SUMMARY AS INTRODUCED:

Income tax; subtraction; retirement income of certain federal employees. Establishes, beginning in taxable year 2025, an individual income tax subtraction for 20 percent of the retirement income of retirees covered under the federal Civil Service Retirement System (CSRS).

5 Last Events

01/06/2025	Senate	Prefiled and ordered printed; Offered 01-08-2025 25102054D
01/06/2025	Senate	Referred to Committee on Finance and Appropriations

SB 951 - Income tax; certain sunset repeals.

Chief Patron: McDougle

Status: In Committee

A BILL to amend and reenact §§ 58.1-322.03, 58.1-339.8, and 58.1-390.3 of the Code of Virginia, relating to income tax; sunsets; standard deduction; earned income tax credit; pass through entities.

SUMMARY AS INTRODUCED:

Income tax; certain sunset repeals. Removes the sunset for the standard deduction in the amount of \$8,500 for individuals and \$17,000 for married individuals that is currently set to expire beginning in taxable year 2026, and revert back to \$3,000 for individuals and \$6,000 for married individuals. The bill also removes the taxable year 2026 sunset for the partially refundable earned income tax credit that an individual or married individuals may claim in an amount equal to 15 percent of the federal earned income tax credit claimed for federal earned income tax purposes and removes the taxable year 2026 sunset for the elective income tax on pass-through entities.

5 Last Events

01/06/2025	Senate	Prefiled and ordered printed; Offered 01-08-2025 25102297D
01/06/2025	Senate	Referred to Committee on Finance and Appropriations

SB 1001 - Sales and use tax; exemption for electric utility equipment.

Chief Patron: Head

Status: In Committee

A BILL to amend and reenact § 58.1-609.3 of the Code of Virginia, relating to sales and use tax; exemption for electric utility equipment.

SUMMARY AS INTRODUCED:

Sales and use tax; exemption for electric utility equipment. Exempts from the retail sales and use tax, beginning July 1, 2025, and ending July 1, 2030, tangible personal property used directly in the initiation, production, generation, transmission, or distribution of electricity by Appalachian Power.

5 Last Events

01/07/2025	Senate	Prefiled and ordered printed; Offered 01-08-2025 25103419D
01/07/2025	Senate	Referred to Committee on Finance and Appropriations

SB 1343 - Tax administration; award for tax underpayment detection assistance.

Chief Patron: Surovell

Status: In Committee

A BILL to amend the Code of Virginia by adding a section numbered 58.1-1803.1, relating to tax administration; award for tax underpayment detection assistance.

SUMMARY AS INTRODUCED:

Tax administration; award for tax underpayment detection assistance. Authorizes the Tax Commissioner to award monetary compensation to individuals who provide information that assists the Department of Taxation in the successful collection of delinquent state taxes owed by other individual or business taxpayers. The bill provides that such awards may be given only if (i) the underpaying individual taxpayer's gross income exceeds \$100,000 or the underpaying business taxpayer's gross income exceeds \$500,000 and (ii) the amount in question exceeds \$50,000.

5 Last Events

01/13/2025	Senate	Prefiled and ordered printed; Offered 01-13-2025 25100141D
01/13/2025	Senate	Referred to Committee on Finance and Appropriations

SB 1378 - Child tax credit; Virginia adjusted gross income.

Chief Patron: Aird

Status: In Committee

A BILL to amend the Code of Virginia by adding in Article 3 of Chapter 3 of Title 58.1 a section numbered 58.1-339.15, relating to child tax credit; Virginia adjusted gross income.

SUMMARY AS INTRODUCED:

Child tax credit; Virginia adjusted gross income. Creates a one-time individual income tax credit in taxable years 2025 through 2029 for taxpayers whose households include dependents younger than 13 years of age and whose family Virginia adjusted gross income, defined in the bill, does not exceed \$100,000. Such credit shall be in an amount equal to \$300 for each such dependent and only one credit may be claimed for each such dependent. The bill provides that if the taxpayer is a resident of the Commonwealth for the full taxable year, the credit is refundable. Otherwise, the credit is nonrefundable.

5 Last Events

01/13/2025	Senate	Prefiled and ordered printed; Offered 01-13-2025 25104711D
01/13/2025	Senate	Referred to Committee on Finance and Appropriations

Counts: HB: 26 HJ: 3 SB: 17 SJ: 0