

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend the Code of Virginia by adding in Article 3 of Chapter 3 of Title 58.1 a section*
3 *numbered 58.1-339.8, relating to individual income tax credits.*

4 [H 160]

5 Approved

6 **Be it enacted by the General Assembly of Virginia:**

7 **1. That the Code of Virginia is amended by adding in Article 3 of Chapter 3 of Title 58.1 a**
8 **section numbered 58.1-339.8 as follows:**

9 *§ 58.1-339.8. Income tax credit for low-income taxpayers.*10 *A. As used in this section, unless the context requires otherwise:*

11 *"Family Virginia adjusted gross income" means the combined Virginia adjusted gross income of an*
12 *individual, the individual's spouse, and any person claimed as a dependent on the individual's or his*
13 *spouse's income tax return for the taxable year.*

14 *"Poverty guidelines" means the poverty guidelines for the forty-eight contiguous states and the*
15 *District of Columbia updated annually in the Federal Register by the U.S. Department of Health and*
16 *Human Services under the authority of § 673 (2) of the Omnibus Budget Reconciliation Act of 1981.*

17 *"Virginia adjusted gross income" has the same meaning as the term is defined in § 58.1-321.*

18 *B. For taxable years beginning on and after January 1, 2000, any individual or persons filing a joint*
19 *return whose family Virginia adjusted gross income does not exceed one hundred percent of the poverty*
20 *guideline amount corresponding to a household of an equal number of persons as listed in the poverty*
21 *guidelines published during such taxable year, shall be allowed a credit against the tax levied pursuant*
22 *to § 58.1-320 in an amount equal to \$300 each for the individual, the individual's spouse, and any*
23 *person claimed as a dependent on the individual's or married persons' income tax return for the taxable*
24 *year. For any taxable year in which a husband and wife file separate Virginia income tax returns, the*
25 *credit provided under this section shall be allowed against the tax for only one of such two tax returns.*
26 *Additionally, the credit provided under this section shall not be allowed against such tax of a dependent*
27 *of the individual or of married persons.*

28 *C. The amount of the credit provided pursuant to this section for any taxable year shall not exceed*
29 *the individual's or married persons' Virginia income tax liability.*

30 *D. Notwithstanding any other provision of this section, such credit shall not be allowed in any*
31 *taxable year in which the individual, the individual's spouse, or both, or any person claimed as a*
32 *dependent on such individual's or married persons' income tax return, claims one or any combination of*
33 *the following on his or their income tax return for such taxable year:*

34 *1. The subtraction under subdivision C 11 of § 58.1-322;*35 *2. The subtraction under subdivision C 23 of § 58.1-322;*36 *3. The subtraction under subdivision C 24 of § 58.1-322;*

37 *4. The deduction for the additional personal exemption for blind or aged taxpayers under subdivision*
38 *D 2 a of § 58.1-322; or*

39 *5. The deduction under subdivision D 5 of § 58.1-322.*

ENROLLED

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