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SENATE JOINT RESOLUTION NO. 241

Offered January 24, 2000

Directing the Commission to Study Virginia's State and Local Tax Structure for the 21st Century to study the feasibility of reducing the tax rate, or establishing a maximum tax rate, for local personal property taxes on motor homes.

Patron—Newman

Referred to Committee on Rules

WHEREAS, the Personal Property Tax Relief Act of 1998 (§ 58.1-3523 et seq. of the Code of Virginia) was passed during the 1998 Session of the General Assembly; and

WHEREAS, the Act grants personal property tax relief to private citizens of Virginia owning or leasing certain enumerated motor vehicles and using such vehicles for nonbusiness purposes; and

WHEREAS, such tax relief does not apply to personal property taxes on motor homes; and

WHEREAS, motor homes are predominantly used for nonbusiness purposes and include fixtures to accommodate living out of such vehicles for short periods of time; and

WHEREAS, the price of motor homes are, in general, much higher than the motor vehicles to which the personal property tax relief under the Act applies; and

WHEREAS, local personal property taxes on motor homes have reached a level that discourage the purchase of motor homes, thereby decreasing sales made by the motor home industry; and

WHEREAS, it may be a financial hardship on some owners of motor homes to pay the local personal property tax at current existing tax rates; and

WHEREAS, it is in the Commonwealth's interest that taxes on any property, including motor homes, do not result in an undue burden on the citizens of Virginia or any trade or industry; now, therefore, be it

RESOLVED by the Senate, the House of Delegates concurring, That the Commission to Study Virginia's State and Local Tax Structure for the 21st Century study the feasibility of reducing the tax rate, or establishing a maximum tax rate, for local personal property taxes on motor homes.

In conducting the study, the Commission shall, in particular, study the feasibility of setting the tax rate on motor homes at a rate equal to the local real estate tax rate and shall hear from local government representatives and concerned citizens on this issue. All agencies of the Commonwealth shall provide assistance to the Commission, upon request.

The Commission shall complete its work in time to submit its findings and recommendations to the Governor and the 2001 Session of the General Assembly as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents.

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