

2001 SESSION

INTRODUCED

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HOUSE BILL NO. 1112

Offered January 24, 2000

A BILL to amend the Code of Virginia by adding in Article 3 of Chapter 3 of Title 58.1 a section numbered 58.1-339.8, relating to personal/dependent exemption income tax credit.

Patrons—Tate, Abbitt, Armstrong, Christian, Cranwell, Crittenden, Jackson, Johnson, Phillips and Stump;
Senator: Puckett

Referred to Committee on Finance

Be it enacted by the General Assembly of Virginia:

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

§ 58.1-339.8. Personal/dependent exemption tax credit.

A. For taxable years beginning on and after January 1, 2000, any individual shall be entitled to a nonrefundable credit against the tax imposed by § 58.1-320 for each personal and dependent exemption allowable to such taxpayer for federal income tax purposes as follows:

1. For taxpayers whose federal adjusted gross income is less than \$50,000, the credit shall be \$50 for each allowable personal and dependent exemption; and

2. For taxpayers whose federal adjusted gross income is at least \$50,000 but not more than \$75,000, the credit shall be \$25 for each allowable personal and dependent exemption.

In addition to the above requirements, the taxpayer shall have been a resident of the Commonwealth for the entire tax year in which the credit is taken.

B. The amount of the credit allowed shall not exceed the taxpayer's liability for the tax year in which the credit is taken. If the amount of the credit exceeds the taxpayer's tax liability for such year, the amount that exceeds such tax liability may be carried over by the taxpayer for the next five taxable years or until the total amount of the credit has been taken, whichever occurs first.

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