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1	HOUSE BILL NO. 400
2	Offered January 13, 2000
3	A BILL to amend the Code of Virginia by adding respectively in Articles 3, 9, and 13 of Chapter 3 of
4 5	Title 58.1 sections numbered 58.1-339.8, 58.1-395, and 58.1-439.12, relating to tax credits.
	Patrons-Bennett, Clement, Diamonstein, May, Plum and Purkey; Senators: Hawkins, Howell and Ticer
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7 8	Referred to Committee on Finance
9	Be it enacted by the General Assembly of Virginia:
10	1. That the Code of Virginia is amended by adding respectively in Articles 3, 9, and 13 of Chapter
11	3 of Title 58.1 sections numbered 58.1-339.8, 58.1-395, and 58.1-439.12 as follows:
12	§ 58.1-339.8. Investment in small technology business tax credit.
13	A. For taxable years beginning on and after January 1, 2000, any taxpayer who invests in a small
14	technology business, as defined in this section, shall be eligible for a credit against the tax imposed
15	pursuant to Article 2 (§ 58.1-320 et seq.) of this chapter in an amount equal to twenty-five percent of
16 17	the total amount invested, not to exceed \$50,000 per taxpayer. Such a credit shall require application by
18	the taxpayer as provided in subsection C. B. For purposes of this section, a "small technology business " means a private business (i) whose
19	business purpose is to research and develop or commercialize information technology or biotechnology,
20	(ii) which employs ten or fewer full-time employees, and (iii) which is engaged in such business in the
21	Commonwealth.
22	C. A taxpayer eligible for a credit under this section shall apply for the credit by making application
23	to the Department of Taxation. Each application shall be accompanied by a certification of eligibility by
24	the Secretary of Technology or his designee. The Secretary of Technology and the Tax Commissioner
25	shall promulgate regulations, in accordance with the Administrative Process Act (§ 9-6.14:1 et seq.),
26 27	relating to claiming a credit under this section. § 58.1-395. Investment in small technology business tax credit.
28	A. For taxable years beginning on and after January 1, 2000, any taxpayer who invests in a small
29	technology business, as defined in this section, shall be eligible for a credit against the tax imposed
30	pursuant to this article in an amount equal to twenty-five percent of the total amount invested, not to
31	exceed \$100,000 per taxpayer. Such a credit shall require application by the taxpayer as provided in
32	subsection C.
33	B. For purposes of this section, a "small technology business " means a private business (i) whose
34 35	business purpose is to research and develop or commercialize information technology or biotechnology, (ii) which employs ten or fewer full-time employees, and which is engaged in such business in the
35 36	Commonwealth.
37	C. A taxpayer eligible for a credit under this section shall apply for the credit by making application
38	to the Department of Taxation. Each application shall be accompanied by a certification of eligibility by
39	the Secretary of Technology or his designee. The Secretary of Technology and the Tax Commissioner
40	shall promulgate regulations, in accordance with the Administrative Process Act (§ 9-6.14:1 et seq.),
41	relating to claiming a credit under this section.
42 43	§ 58.1-439:12. Investment in small technology business tax credit.
43 44	A. For taxable years beginning on and after January 1, 2000, any taxpayer who invests in a small technology business, as defined in this section, shall be eligible for a credit against the tax imposed
45	pursuant to Article 10 (§ 58.1-400 et seq.) of this chapter in an amount equal to twenty-five percent of
46	the total amount invested, not to exceed \$100,000 per taxpayer. Such a credit shall require application
47	by the taxpayer as provided in subsection C.
48	B. For purposes of this section, a "small technology business " means a private business (i) whose
49 50	business purpose is to research and develop or commercialize information technology or biotechnology,
50 51	(ii) which employs ten or fewer full-time employees, and (iii) which is engaged in such business in the Commonwealth.
51 52	Commonwealth. C. A taxpayer eligible for a credit under this section shall apply for the credit by making application
53	to the Department of Taxation. Each application shall be accompanied by a certification of eligibility by
54	the Secretary of Technology or his designee. The Secretary of Technology and the Tax Commissioner
55	shall promulgate regulations, in accordance with the Administrative Process Act (§ 9-6.14:1 et seq.),
56	relating to claiming a credit under this section.

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