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**SENATE BILL NO. 965****AMENDMENT IN THE NATURE OF A SUBSTITUTE**(Proposed by the Senate Committee on Finance  
on January 17, 2001)

(Patron Prior to Substitute—Senator Potts)

*A BILL to amend and reenact § 58.1-609.9 of the Code of Virginia, relating to sales and use tax exemption; cultural.***Be it enacted by the General Assembly of Virginia:****1. That § 58.1-609.9 of the Code of Virginia is amended and reenacted as follows:**

§ 58.1-609.9. Nonprofit cultural organization exemptions.

The tax imposed by this chapter or pursuant to the authority granted in §§ 58.1-605 and 58.1-606 shall not apply to the following:

1. Through June 30, 2001, historical documents, maps, rare books and manuscripts acquired for use or consumption by a nonprofit state historical society, exempt from taxation under § 501 (c) (3) of the Internal Revenue Code, which has a research library, a museum, and an educational department, all open to the public.

2. Through June 30, 2001, tangible personal property purchased for use or consumption by (i) a nonprofit museum of fine arts which is located on property owned by a city in Virginia and which receives more than one-half its operating budget from appropriations by the city or (ii) a nonprofit regional science-technology museum.

3. Through June 30, 2001, tangible personal property purchased for the use or consumption of a nonstock corporation, exempt from taxation under § 501 (c) (3) of the Internal Revenue Code, whose principal activity is conducted on real property owned by any city in the Commonwealth, organized exclusively for the purpose of operating, managing, promoting and improving a public park and museum for recreational and educational purposes.

4. Through June 30, 2001, tangible personal property purchased for charitable or educational purposes by an organization exempt under § 501 (c) (3) of the Internal Revenue Code and organized exclusively (i) to care for the spiritual needs of American Indians, (ii) to communicate to the non-Indian the values, customs, philosophy and special needs of the American Indian, (iii) to meet the urgent needs of American Indians through nationwide charitable distribution programs, and (iv) to encourage awareness of American Indian arts, crafts and customs provided such property is distributed by the organization through its nationwide charitable distribution program.

5. From July 1, 1989, through June 30, 2001, tangible personal property purchased for use or consumption by a nonprofit foundation exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and organized for the purpose of promoting a permanent memorial to a former Chief Justice of the Supreme Court of the United States.

6. From July 1, 1989, through June 30, 2001, tangible personal property purchased for use or consumption by a nonprofit museum exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and operating for the purpose of commemorating and preserving in a central repository the culture and history of black people in Virginia through a collection of memoirs, artifacts, displays, exhibits and other related historical data.

7. From July 1, 1989, through June 30, 2001, tangible personal property purchased for use or consumption by a nonstock, nonprofit organization which (i) is exempt from taxation under § 501 (c) (3) of the Internal Revenue Code, (ii) operates exclusively for educational and charitable purposes to promote the study, performance and public awareness of music by presenting performances of live music to youths and family groups, (iii) receives funding annually from at least three local governments in Virginia and from the Virginia Commission for the Arts, and (iv) charges no fees for children to attend the musical performances.

8. From July 1, 1989, through June 30, 2001, tangible personal property purchased for use or consumption by a nonprofit cultural organization, exempt from taxation under § 501 (c) (3) of the Internal Revenue Code, which educates children about the arts, humanities and nature on a regular basis through museum exhibits, classes and performances.

9. From July 1, 1989, through June 30, 2001, tangible personal property purchased for use or consumption by a national and international, nonprofit, scientific, and educational organization, exempt from taxation under § 501 (c) (3) of the Internal Revenue Code, whose resources are devoted to preserving ecologically significant areas in order to safeguard rare or endangered species or critical natural habitats.

10. Through June 30, 2001, tangible personal property purchased for use or consumption by a nonstock, nonprofit organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code

60 and organized exclusively to provide a public park and botanical garden for the entertainment and  
61 recreation of the citizens of the Commonwealth and to promote the advancement of botanical science  
62 through research and education of science students.

63 11. a. From July 1, 1990, through June 30, 2001, tangible personal property purchased for use or  
64 consumption by a nonprofit organization which is exempt from taxation pursuant to § 501 (c) (3) of the  
65 Internal Revenue Code and which coordinates and promotes art in the Roanoke Valley.

66 b. From July 1, 1995, through June 30, 2001, tangible personal property purchased for use or  
67 consumption by a nonprofit organization which is exempt from taxation pursuant to § 501 (c) (3) of the  
68 Internal Revenue Code and which coordinates and promotes art in the Shenandoah Valley.

69 12. From July 1, 1995, through June 30, 2001, tangible personal property purchased for use or  
70 consumption by a nonprofit corporation which is exempt from taxation under § 501 (c) (3) of the  
71 Internal Revenue Code and which is organized under the laws of the Commonwealth primarily for the  
72 purposes of (i) promoting the best interests and welfare of the Jewish community; (ii) enriching and  
73 furthering an appreciation of the spiritual, cultural, and ethical heritages and values of Judaism as they  
74 apply to the Jewish way of life in America; and (iii) promoting fellowship, harmony, and rapport among  
75 Americans of the Jewish faith and among all citizens of the community at large.

76 13. From July 1, 1995, through June 30, 2001, tangible personal property purchased for use or  
77 consumption by an organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code  
78 and organized exclusively to commemorate the adoption of Virginia's Statute for Religious Freedom.

79 14. From July 1, 1995, through June 30, 2001, tangible personal property purchased for use or  
80 consumption by a nonprofit organization exempt from taxation under § 501 (c) (3) of the Internal  
81 Revenue Code and organized exclusively to produce contemporary American and English theatre by  
82 professional artists from throughout the country for the education and entertainment of Virginians.

83 15. From July 1, 1995, through June 30, 2001, tangible personal property purchased for use or  
84 consumption by a nonprofit organization exempt from taxation under § 501 (c) (3) of the Internal  
85 Revenue Code and organized to collect, preserve and disseminate information concerning genealogical  
86 and historical data; to advance the practice of thorough and ethical research; to foster careful  
87 documentation and scholarly writing; and to issue publications relating to the field of genealogy.

88 16. From July 1, 1995, through June 30, 2001, tangible personal property purchased for use or  
89 consumption by a nonprofit community theatre organization exempt from taxation under § 501 (c) (3) of  
90 the Internal Revenue Code and organized exclusively to present a summer musical production within the  
91 boundaries of the Fourth Planning District Commission established pursuant to § 15.2-4203 for the  
92 education and entertainment of Virginians.

93 17. From July 1, 1995, through June 30, 2001, tangible personal property purchased for use or  
94 consumption by a nonstock, nonprofit charitable corporation exempt from taxation pursuant to § 501 (c)  
95 (3) of the Internal Revenue Code and from local property taxes and organized and operated to hold,  
96 manage, preserve, and exhibit a Virginia estate and home of the first President of the United States; to  
97 operate a library, open to the public and researchers free of charge, holding books, manuscripts,  
98 documents, and graphic arts relating to the life and times of such President; and to provide educational  
99 programs for students and teachers.

100 18. From July 1, 1997, through June 30, 2001, tangible personal property purchased for use or  
101 consumption by, or sold by, a nonprofit organization exempt from taxation pursuant to § 501 (c) (3) of  
102 the Internal Revenue Code and organized exclusively to foster, promote and increase the musical  
103 knowledge, appreciation, experience and performing ability of young people and of the general public,  
104 by establishing, maintaining and operating one or more youth symphony orchestras in the  
105 Commonwealth.

106 19. From July 1, 1997, through June 30, 2001, tangible personal property purchased for use or  
107 consumption by a nonprofit foundation exempt from taxation under § 501 (c) (3) of the Internal  
108 Revenue Code and organized to encourage interest in the fine and performing arts by providing an  
109 opportunity for the general public to observe works of classical and contemporary artists and to provide  
110 instruction and training for individuals in, and facilities for experimentation and development of, the  
111 composition and presentation of the fine and the performing arts.

112 20. From July 1, 1997, through June 30, 2001, tangible personal property purchased for use or  
113 consumption by a nonstock, nonprofit performing arts organization exempt from taxation pursuant to  
114 § 501 (c) (3) of the Internal Revenue Code which (i) provides professional theatrical productions at a  
115 reasonable cost to audiences in the Commonwealth, (ii) receives financial support from the  
116 Commonwealth, (iii) leases facilities from the Virginia Museum of Fine Arts, and (iv) is dedicated to  
117 engendering an appreciation for theatre in the Commonwealth.

118 21. From July 1, 1997, through June 30, 2001, tangible personal property purchased for use or  
119 consumption by a nonprofit organization exempt from taxation pursuant to § 501 (c) (3) of the Internal  
120 Revenue Code and organized exclusively to acquire, reconstruct and preserve the adult home and burial  
121 place of a signer of the Declaration of Independence and to cooperate with universities within the

Commonwealth in training artisans, architects and others in preservation skills.

22. From July 1, 1997, through June 30, 2001, tangible personal property purchased for use or consumption by a nonprofit organization which is exempt from taxation pursuant to § 501 (c) (3) of the Internal Revenue Code and from local property taxes and organized and operated for the purpose of acquiring, renovating, constructing, and operating a Civil War site and museum and an adjacent Civil War era residence.

23. From July 1, 1997, through June 30, 2001, the sale or charges for any room or rooms, lodgings, accommodations, or meals furnished, and tangible personal property purchased for use or consumption by a Jewish women's nonprofit charitable corporation exempt from taxation pursuant to § 501 (c) (3) of the Internal Revenue Code and organized to provide (i) opportunities for health education programs, primarily regarding women's health care, (ii) youth activities, (iii) education on issues of importance to the community, and (iv) opportunities for doctors from Israel to participate in an exchange program with physicians associated with medical colleges in Virginia.

24. From July 1, 1998, through June 30, 2001, tangible personal property purchased for use or consumption by a nonprofit organization exempt from taxation pursuant to § 501 (c) (3) of the Internal Revenue Code and organized exclusively to build and maintain through a nonprofit plan a permanent concert audience and to cultivate in individuals an interest in good music performed by qualified artists.

25. From July 1, 1998, through June 30, 2001, all tangible personal property, other than tangible personal property purchased for resale in the gift shop, purchased for use or consumption by a nonprofit corporation which is exempt from taxation pursuant to § 501 (c) (3) of the Internal Revenue Code and is organized to preserve and exhibit objects relating to the history of the Fredericksburg area.

26. From July 1, 1998, through June 30, 2001, tangible personal property purchased for use or consumption by a nonprofit organization exempt from taxation pursuant to § 501 (c) (3) of the Internal Revenue Code and organized for the purpose of providing opportunities for cultural enrichment, educational ventures and personal growth through musical concerts, an art league and affordable studio and office space for artists and community groups.

27. From July 1, 1998, through June 30, 2001, tangible personal property purchased for use or consumption by a nonprofit, nonstock corporation exempt from taxation pursuant to § 501 (c) (3) of the Internal Revenue Code and organized exclusively to establish and promote a facility for the collection, maintenance, exhibition and interpretation of the history of a city by providing a medium for the exchange of ideas and information and for historic research, preservation and educational purposes; by administering property; and by sponsoring cooperative planning, research, fund-raising and public educational programs.

28. From July 1, 1998, through June 30, 2001, tangible personal property purchased for use or consumption by a nonprofit organization which is exempt from taxation pursuant to § 501 (c) (3) of the Internal Revenue Code and organized exclusively to (i) present internationally acclaimed artists in the Commonwealth, (ii) showcase art excellence from the Commonwealth to others, and (iii) increase the appreciation of the arts among school children.

29. From July 1, 1998, through June 30, 2001, tangible personal property purchased for use or consumption by a nonprofit organization exempt from taxation pursuant to § 501 (c) (3) of the Internal Revenue Code and organized for the purpose of operating, managing, and promoting a museum dedicated to recording, preserving, and providing information relating to the history of a city located in the Hampton Roads area.

30. From July 1, 1998, through June 30, 2001, tangible personal property purchased for use or consumption by a nonprofit organization exempt from taxation pursuant to § 501 (c) (3) of the Internal Revenue Code and organized for the purpose of promoting public interest and participation in the study, research, interpretation, preservation, restoration, and dissemination of Virginia's cultural, historical, and scientific heritage by providing resources and support for Virginia's museums and historic sites by, among other things, conducting education and training for museum staff and volunteers.

31. From July 1, 1998, through June 30, 2001, tangible personal property purchased for use or consumption by a nonprofit corporation exempt from taxation pursuant to § 501 (c) (3) of the Internal Revenue Code and organized exclusively to perpetuate a memorial to Holocaust victims and survivors as well as to educate the general public through tours and lectures about the Holocaust.

32. From July 1, 2000, through June 30, 2001, tangible personal property purchased for use or consumption by a nonprofit corporation exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and (i) operating for the purpose of preserving, protecting, and promoting awareness of the historic, natural, and cultural resources of a county located in the Sixteenth Planning District established pursuant to § 15.2-4203; and (ii) accomplishing this purpose by such means as donating applicable books to libraries, the placing of historic markers, and providing or arranging historic and cultural tours in such counties.

33. From July 1, 2000, through June 30, 2001, tangible personal property purchased for use or

183 consumption by a nonprofit organization exempt from taxation pursuant to § 501 (c) (3) of the Internal  
184 Revenue Code and organized to promote the performing arts by providing theatrical facilities at below  
185 market cost to nonprofit performing arts groups and promoters.

186 34. From July 1, 2000, through June 30, 2001, tangible personal property purchased for use or  
187 consumption by a nonprofit corporation exempt from taxation pursuant to § 501 (c) (3) of the Internal  
188 Revenue Code and organized to produce special events and festivals designed to bring the community  
189 together and promote public interest in downtown Richmond.

190 35. From July 1, 2000, through June 30, 2001, tangible personal property purchased for use or  
191 consumption by a nonprofit corporation exempt from taxation pursuant to § 501 (c) (3) of the Internal  
192 Revenue Code and organized to promote preservation of the rural and small-town character of the  
193 Shenandoah Valley by facilitating natural resource conservation and environmentally sound land use.

194 36. From July 1, 2000, through June 30, 2001, tangible personal property purchased for use or  
195 consumption by a nonprofit corporation, located within the boundaries of the Eighteenth Planning  
196 District established pursuant to § 15.2-4203, which is exempt from taxation pursuant to § 501 (c) (3) of  
197 the Internal Revenue Code and organized to promote maritime history and education through such  
198 activities as, but not limited to (i) the establishment of a museum dedicated to the shipbuilding industry;  
199 (ii) archeological investigations of shipbuilding sites; and (iii) the reconstruction and maintenance of a  
200 19th century shipbuilding and fishing village.

201 37. From July 1, 2000, through June 30, 2001, tangible personal property purchased for use or  
202 consumption by a nonprofit corporation, located within the boundaries of the Fifth Planning District  
203 established pursuant to § 15.2-4203, which is exempt from federal income taxation pursuant to § 501 (c)  
204 (3) of the Internal Revenue Code and organized for the purpose of promoting activities related to  
205 genealogy, including, but not limited to, research, education, record keeping, and collection and  
206 publication of documents.

207 38. From July 1, 2000, through June 30, 2001, tangible personal property purchased for use or  
208 consumption by a nonprofit corporation exempt from taxation pursuant to § 501 (c) (3) of the Internal  
209 Revenue Code and organized to provide support to the University of Virginia's Orland E. White  
210 Arboretum, Inc., the state arboretum, through scientific research, cultural and education programs for the  
211 public, and financial assistance for tangible improvements.

212 39. From July 1, 2000, through June 30, 2001, tangible personal property purchased for use or  
213 consumption by a nonprofit corporation, located within the boundaries of the Eleventh Planning District  
214 pursuant to § 15.2-4203, which is exempt from taxation under § 501 (c) (3) of the Internal Revenue  
215 Code, which conducts symphony performances and educational programs on music in the central  
216 Virginia area.

217 40. From July 1, 2000, through June 30, 2001, tangible personal property purchased for use or  
218 consumption by a nonprofit corporation, located within the boundaries of the Eleventh Planning District  
219 pursuant to § 15.2-4203, which is exempt from taxation under § 501 (c) (3) of the Internal Revenue  
220 Code and organized to promote African-American history and culture through programs, exhibitions, and  
221 the cataloging and storing of historical artifacts for scholars.

222 41. From July 1, 2000, through June 30, 2001, tangible personal property purchased for use or  
223 consumption by a nonprofit corporation exempt from taxation pursuant to § 501 (c) (3) of the Internal  
224 Revenue Code and organized (i) to collect and display to the public a representative sample of past and  
225 present military vehicles; (ii) to gather, write, edit, publish and otherwise create and disseminate material  
226 relating to the history of military vehicles; and (iii) to promote public awareness and understanding of  
227 the contribution military vehicles have made to various nations.

228 42. From July 1, 2000, through June 30, 2001, tangible personal property purchased for use or  
229 consumption by a nonprofit corporation exempt from taxation pursuant to § 501 (c) (3) of the Internal  
230 Revenue Code and organized (i) to collect and display to the public a representative sample of past and  
231 present military vehicles; (ii) to gather, write, edit, publish and otherwise create and disseminate material  
232 relating to the history of military vehicles; and (iii) to promote public awareness and understanding of  
233 the contribution military vehicles have made to various nations.

234 43. From July 1, 2000, through June 30, 2001, tangible personal property purchased for use or  
235 consumption by a nonprofit organization exempt from taxation pursuant to § 501 (c) (3) of the Internal  
236 Revenue Code and organized primarily for the purpose of operating a museum and providing  
237 educational programs on the life and times of General George C. Marshall.

238 44. From July 1, 2000, through June 30, 2001, tangible personal property purchased for use or  
239 consumption by a nonprofit corporation exempt from taxation pursuant to § 501 (c) (3) of the Internal  
240 Revenue Code and organized exclusively to study and preserve the social, economic and political history  
241 of a village and its surrounding areas, located in a county with a population of at least 57,450 but no  
242 more than 60,000, by preserving the historical sites, artifacts and buildings.

243 45. From July 1, 2000, through June 30, 2001, tangible personal property purchased for use or  
244 consumption by a nonprofit organization exempt from taxation pursuant to § 501 (c) (3) of the Internal

Revenue Code and organized for the purpose of operating a museum dedicated to (i) promoting interest in the history of western Virginia, (ii) collecting, interpreting, preserving and making available materials relating to that history, and (iii) providing educational services to people and institutions throughout western Virginia.

46. From July 1, 2000, through June 30, 2001, tangible personal property purchased for use or consumption by a nonprofit organization exempt from taxation pursuant to § 501 (c) (3) of the Internal Revenue Code and organized for the purpose of operating a year-round, professional theatre serving the western area of Virginia with cultural and educational programs and outreach services to youth.

47. From July 1, 2000, through June 30, 2001, tangible personal property purchased for use or consumption by a nonprofit corporation located within the boundaries of the Thirteenth Planning District established pursuant to § 15.2-4203 exempt from taxation pursuant to § 501 (c) (3) of the Internal Revenue Code and organized for the purpose of establishing a regional cultural arts center that will promote, provide, and preserve the performing and visual arts for the education of the citizens in the southern region of Virginia.

48. From July 1, 2000, through June 30, 2001, tangible personal property purchased for use or consumption by a nonprofit organization located within the boundaries of the Eleventh Planning District established pursuant to § 15.2-4203 which is (i) exempt from taxation pursuant to § 501 (c) (3) of the Internal Revenue Code and (ii) organized for the purpose of operating and managing a museum dedicated to historic preservation, restoration and research.

49. From July 1, 2000, through June 30, 2001, tangible personal property purchased for use or consumption by a nonprofit organization exempt from taxation pursuant to § 501 (c) (3) of the Internal Revenue Code and organized for the purpose of promoting interdisciplinary scholarship and research of nineteenth century culture and supporting that purpose, in part, by sponsoring an annual conference, an annual journal, and an annual newsletter.

50. From July 1, 2000, through June 30, 2001, tangible personal property purchased for use or consumption by a nonprofit corporation exempt from taxation pursuant to § 501 (c) (3) of the Internal Revenue Code and organized to give students interested in acting, directing, and playwriting a chance to explore their talents in a professional setting; and to produce drama which speaks to current cultural issues such as discrimination and war.

*51. Beginning July 1, 2001, and ending July 1, 2006, tangible personal property purchased for use or consumption by a nonprofit organization exempt from federal income taxation pursuant to § 501 (c) (3) of the Internal Revenue Code and organized to promote the preservation and use of archival and historical research materials and the professional education of its members through, including but not limited to, holding conferences and workshops and publishing newsletters and other written materials.*

*52. Beginning July 1, 2001, and ending July 1, 2006, tangible personal property purchased for use or consumption by a nonprofit corporation exempt from taxation pursuant to § 501 (c) (3) of the Internal Revenue Code that promotes, encourages, and sustains community interest and education in ballet by, including but not limited to, providing performing experience for advanced ballet students.*

*53. Beginning July 1, 2001, and ending July 1, 2006, tangible personal property purchased for use or consumption by a nonprofit river conservation organization that is exempt from taxation pursuant to § 501 (c) (3) of the Internal Revenue Code and organized to protect the natural, scenic, recreational, and historical values of the Rappahannock River and its tributaries.*

*54. Beginning July 1, 2001, and ending July 1, 2006, tangible personal property purchased for use or consumption by a nonprofit corporation exempt from taxation pursuant to § 501 (c) (3) of the Internal Revenue Code and organized (i) to establish and maintain an association of persons and organizations interested in science and scientific research; (ii) to cooperate with educational institutions, industries, and state agencies in fostering an interest in scientific matters, in promoting scientific investigations and in spreading knowledge of the sciences; and (iii) to provide a forum for the presentation and discussion of papers on scientific subjects and facilities for their publication.*

*55. Beginning July 1, 2001, and ending July 1, 2006, tangible personal property purchased for use or consumption by a nonprofit corporation exempt from taxation pursuant to § 501 (c) (3) of the Internal Revenue Code and operating as a museum serving the Shenandoah Valley by, including but not limited to, collecting and interpreting historical and humanities materials, documents, and arts, disseminating historical information, and providing scholarly programs relating to the history of living in the Shenandoah Valley.*

*56. Beginning July 1, 2001, and ending July 1, 2006, tangible personal property purchased for use or consumption by a nonprofit corporation exempt from taxation pursuant to § 501 (c) (3) of the Internal Revenue Code and operating as a museum and gardens (i) to promote the appreciation of the fine arts; (ii) to establish, own, maintain, and operate an arts center to conform to standard museum practices; (iii) to display, sell, purchase and own articles of art; (iv) to support the arts in the local school system; and (v) to encourage local artists participation in its programs.*

306 57. Beginning July 1, 2001, and ending July 1, 2006, tangible personal property purchased for use  
307 or consumption by a nonprofit corporation exempt from taxation pursuant to § 501 (c) (3) of the  
308 Internal Revenue Code organized to support education about Poplar Forest through, including but not  
309 limited to, guided tours of the property, field schools in architectural restoration and archaeology, other  
310 educational and public programs, and maintaining a library open to students, researchers, and the  
311 public.

312 58. Beginning July 1, 2001, and ending July 1, 2006, tangible personal property purchased for use  
313 or consumption by a nonprofit corporation exempt from taxation pursuant to § 501 (c) (3) of the  
314 Internal Revenue Code and organized to preserve the White House of the Confederacy and other  
315 historical objects by, including but not limited to, restoring and maintaining the White House of the  
316 Confederacy, collecting and restoring historical objects, and sharing them with the citizens through  
317 exhibitions, publications, educational programs, and other events.