

## 2002 SESSION

INTRODUCED

025936736

### HOUSE BILL NO. 503

Offered January 9, 2002

Prefiled January 8, 2002

*A BILL to amend and reenact § 58.1-3732.2 of the Code of Virginia, relating to limitation on gross receipts for real estate brokers and agents.*

Patrons—Drake and Purkey

Referred to Committee on Finance

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

#### **1. That § 58.1-3732.2 of the Code of Virginia is amended and reenacted as follows:**

§ 58.1-3732.2. Limitation on gross receipts.

Gross receipts of real estate brokers for license tax purposes under Chapter 37 (§ 58.1-3700 et seq.) of this title shall not include amounts received by any broker ~~which~~ *that* arise from real estate sales transactions to the extent that such amounts are paid to a real estate agent as a commission on any real estate sales transaction and the agent *has paid is subject to* the business license tax on such receipts. *At its option, The* ~~the~~ *broker may claim claiming* the exclusion *provided it identifies shall identify* on its license application each agent to whom the excluded receipts have been paid, and the jurisdiction in the Commonwealth of Virginia to which the agent is subject to business license taxes. *Also, gross receipts shall not include any desk fees and other overhead costs paid by an agent to a broker, provided the agent identifies on its license application the broker to whom such excluded receipts have been paid and that such receipts were included in the broker's license application.*

INTRODUCED

HB503