

## 2002 SESSION

INTRODUCED

023104548

### SENATE BILL NO. 246

Offered January 9, 2002

Prefiled January 8, 2002

*A BILL providing for the exoneration of tangible personal property taxes imposed by a county on its residents for the portion of the tax year when such persons were not residents of the county but were residents of a city, and validating the tangible personal property taxes imposed for an entire year by a city that transitioned to a town in such tax year therefore allowing such town to retain all such tangible personal property taxes.*

Patrons—Trumbo and Deeds

Referred to Committee on Finance

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

*1. § 1. Notwithstanding any other provision of law, in any county that levied taxes for its tax year beginning January 1, 2001, on tangible personal property having a tax situs in a town that did not become part of the county until July 1, 2001, as a result of the transition of a former city to town status, the levy of such tangible personal property taxes on such property shall be valid for such tax year and the county shall be entitled to retain the tangible personal property tax levied, collected, or due and owing, plus applicable interest and penalty, on such tangible personal property subject to the following:*

*1. For any such tangible personal property with a tax situs in such town on or after July 1, 2001, of such tax year, the county shall exonerate an amount equal to one-half of the total tax levied on such tangible personal property for such tax year, including one-half of the interest attributable to such tax. If the taxpayer has overpaid the tax, after adjustment as provided in this subdivision, any overpayment shall be refunded to the taxpayer and shall include interest as provided by applicable law for the overpayment of tax bills.*

*2. For any such tangible personal property that did not have a tax situs in such town on or after July 1, 2001, of such tax year, the county shall exonerate an amount equal to the total tax levied on such tangible personal property for such tax year, including any interest or penalty. If the taxpayer has made payment on the tax, such refund shall include interest as provided by applicable law for the overpayment of tax bills.*

*§ 2. Notwithstanding any other provision of law, the levy of taxes by a city for its tax year beginning January 1, 2001, on tangible personal property having a tax situs in such city as of such date, shall be valid for any former city that made a transition from city to town status effective July 1, 2001, and whose levy of tangible personal property taxes for such tax year was based on the assessed value of tangible personal property as of January 1, 2001, made by the county commissioner of the revenue subsequent to the city's transition to town status. The town created by the transition of the former city to town status shall be entitled to retain the tangible personal property tax levied, collected, or due and owing, plus applicable interest and penalty, on such tangible personal property for or in the period January 1 through June 30, 2001, and the former city's ordinance levying such taxes shall automatically become an ordinance of the town and shall be sufficient to levy tangible personal property taxes for the period from July 1 through December 31, 2001, on any tangible personal property having a tax situs in the former city as of January 1, 2001. The town shall be entitled to retain all such taxes levied, collected, or due and owing, plus applicable interest and penalty, on such tangible personal property for or in the period July 1 through December 31, 2001.*

**2. That an emergency exists and this act is in force from its passage.**

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