

# 2002 SESSION

## SENATE SUBSTITUTE

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### SENATE BILL NO. 343

#### AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Senate Committee on Finance  
on January 29, 2002)

(Patron Prior to Substitute—Senator Ruff)

*A BILL to amend and reenact § 58.1-3850 of the Code of Virginia and to amend the Code of Virginia by adding in Article 4.2 of Chapter 32 of Title 58.1 a section numbered 58.1-3245.12, relating to authorizing localities to adopt local enterprise zone development taxation programs for technology zones.*

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

**1. That § 58.1-3850 of the Code of Virginia is amended and reenacted, and that the Code of Virginia is amended by adding in Article 4.2 of Chapter 32 of Title 58.1 a section numbered 58.1-3245.12 as follows:**

*§ 58.1-3245.12. Local enterprise zone program for technology zones.*

*The governing body of any county, city, or town may also adopt a local enterprise zone development taxation program for a technology zone, as described in § 58.1-3850, located within its boundaries, regardless of whether such technology zone has been designated by the Governor as an enterprise zone pursuant to § 59.1-274. Such program for a technology zone shall be adopted by local ordinance. All other provisions in this article as they relate to a local enterprise zone development taxation program for enterprise zones shall apply to such program for technology zones.*

*§ 58.1-3850. Creation of local technology zones.*

*A. Any city, county or town may establish, by ordinance, one or more technology zones. Each locality may grant tax incentives and provide certain regulatory flexibility in a technology zone.*

*B. The tax incentives may be provided for up to ten years and may include, but not be limited to: (i) reduction of permit fees; (ii) reduction of user fees; and (iii) reduction of any type of gross receipts tax. The extent and duration of such incentive proposals shall conform to the requirements of the Constitutions of Virginia and of the United States.*

*C. The governing body may also provide for regulatory flexibility in such zone which may include, but not be limited to: (i) special zoning for the district; (ii) permit process reform; (iii) exemption from ordinances; and (iv) any other incentive adopted by ordinance, which shall be binding upon the locality for a period of up to ten years.*

*D. Each locality establishing a technology zone pursuant to this section may also adopt a local enterprise zone development taxation program for the technology zone as provided in § 58.1-3245.12.*

*DE. The establishment of a technology zone shall not preclude the area from also being designated as an enterprise zone.*

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