

## Department of Planning and Budget 2002 Fiscal Impact Statement

**1. Bill Number:** HB1304

<b>House of Origin</b>	<input type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
<b>Second House</b>	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input checked="" type="checkbox"/> Enrolled

**2. Patron:** Cox

**3. Committee:** Passed Both Houses

**4. Title:** Donations to the general fund

**5. Summary/Purpose:** This bill would allow taxpayers to make donations to the Commonwealth's general fund in excess of their tax liability. The Tax Commissioner is directed to list, at least monthly with the consent of the taxpayer, the names of such donors on the Tax Department's website.

**6. Fiscal Impact Estimates are:** Final. See Item 8.

**7. Budget amendment necessary:** No

**8. Fiscal implications:** The revenue impact of this bill is expected to be minimal. The model for this bill, the "Tax Me More Fund" in Arkansas, was established during December 2001. That Fund has received few donations. Currently, Virginia's general fund does include an accounting code for private donations, gifts, and contributions. The Commonwealth has received one donation of \$2,000 in the last three fiscal years. However, creating awareness that individuals can make donations to the general fund and providing the incentive of posting contributor's names on Department of Taxation's website may induce a larger number of individuals to contribute than have in the past.

The Tax Department proposes treating donations to the general fund in the same manner in which it treats voluntary tax check-off contributions. However, HB 1304 does not direct that contributions be accepted in that manner. There is no fiscal impact associated with this bill if the Tax Department simply accepts checks from those desiring to make a donation.

**9. Specific agency or political subdivisions affected:** Department of Taxation

**10. Technical amendment necessary:** None

**11. Other comments:** None

**Date:** 2/28/02

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