

## 1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact § 58.1-202.1 of the Code of Virginia, relating to the payment of taxes by*  
3 *electronic funds transfer.*

4  
5 Approved

[S 833]

6 **Be it enacted by the General Assembly of Virginia:**7 **1. That § 58.1-202.1 of the Code of Virginia is amended and reenacted as follows:**

8 § 58.1-202.1. Payment of taxes by electronic funds transfer.

9 A. In accordance with the limitations contained in subsection B, the Tax Commissioner shall have  
10 the authority to require, consistent with the cash management policies of the Department of Treasury  
11 and the Department of Accounts, taxpayers subject to the taxes imposed pursuant to Articles 10  
12 (§ 58.1-400 et seq.) and 16 (§ 58.1-460 et seq.) of Chapter 3 of this title and Chapter 6 (§ 58.1-600 et  
13 seq.) of this title to remit taxes by electronic funds transfer. Electronic funds transfer shall be made by  
14 automated clearinghouse debit transactions; however, the Tax Commissioner may authorize the use of  
15 any other means which ensures the availability of such funds to the Commonwealth on or before the  
16 due date of the tax.

17 B. A taxpayer required to remit any of the taxes enumerated in subsection A of this section shall be  
18 required to remit such taxes by electronic funds transfer if the average monthly liability for such taxes  
19 exceeds \$20,000. The \$20,000 threshold will apply to each of the taxes on a separate basis. The Tax  
20 Commissioner shall promulgate guidelines to determine eligibility criteria and periods. In developing  
21 such guidelines, the Department shall seek the counsel of interested groups including tax practitioners  
22 and representatives of the business community.

23 C. *All persons who act on a taxpayer's behalf to remit the tax imposed pursuant to Article 16*  
24 *(§ 58.1-460 et seq.) of Chapter 3 of this title shall be required to remit such withholding by electronic*  
25 *funds transfer if the payment of individual income tax withholding is made on behalf of 100 or more*  
26 *taxpayers. For the purposes of this subsection, electronic funds transfer shall be made by automated*  
27 *clearinghouse credit payment transactions; however, the Tax Commissioner may authorize the use of*  
28 *any other means that ensures the availability of such funds to the Commonwealth on or before the due*  
29 *date of the tax.*

30 **2. That the provisions of this act shall become effective on July 1, 2004.**

ENROLLED

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