

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact § 63.2-2002 of the Code of Virginia, relating to Neighborhood Assistance*
3 *Act tax credit.*

4 [S 436]

5 Approved

6 **Be it enacted by the General Assembly of Virginia:**7 **1. That § 63.2-2002 of the Code of Virginia is amended and reenacted as follows:**

8 § 63.2-2002. Proposals; regulations; tax credits authorized; amount for programs.

9 A. Any neighborhood organization may submit a proposal to the Commissioner requesting an
10 allocation of tax credits for use by business firms making donations to the neighborhood organization.
11 The proposal shall set forth the program to be conducted by the neighborhood organization, the
12 impoverished people to be assisted, the estimated amount to be donated to the program and the plans for
13 implementing the program.

14 B. The Board is hereby authorized to adopt regulations for the approval or disapproval of such
15 proposals by neighborhood organizations and for determining the value of the donations. Such
16 regulations shall contain a requirement that an annual audit be provided by the neighborhood
17 organization as a prerequisite for approval. Such regulations shall provide for the equitable allocation of
18 the available amount of tax credits among the approved proposals submitted by neighborhood
19 organizations. The regulations shall also provide that at least ~~ten~~ 10 percent of the available amount of
20 tax credits each year shall be allocated to qualified programs proposed by neighborhood organizations
21 not receiving allocations in the preceding year; however, if the amount of tax credits for qualified
22 programs requested by such neighborhood organizations is less than ~~ten~~ 10 percent of the available
23 amount of tax credits, the unallocated portion of such ~~ten~~ 10 percent of the available amount of tax
24 credits shall be allocated to qualified programs proposed by other neighborhood organizations.

25 C. If the Commissioner approves a proposal submitted by a neighborhood organization, the
26 organization shall make the allocated tax credit amounts available to business firms making donations to
27 the approved program. A neighborhood organization shall not assign or transfer an allocation of tax
28 credits to another neighborhood organization without the approval of the Commissioner.

29 D. The total amount of tax credits granted for programs approved under this chapter for each fiscal
30 year shall not exceed ~~eight~~ \$8 million ~~dollars~~; however, \$2,750,000 shall be allocated to education
31 programs conducted by neighborhood organizations. Such allocation of tax credits to education programs
32 shall constitute the minimum amount of tax credits to be allocated to education programs. However, if
33 the amount of tax credits requested by neighborhood organizations for qualified education programs is
34 less than \$2,750,000, the balance of such amount shall be allocated to other types of qualified programs.
35 Tax credits shall not be authorized after fiscal year ~~2004~~ 2009.