

**DEPARTMENT OF TAXATION  
2004 Fiscal Impact Statement**

**1. Patron** Thomas K. Norment, Jr.

**2. Bill Number** SB 399

**3. Committee** Senate Finance

**House of Origin:**

☐ Introduced

☐ Substitute

☐ Engrossed

**4. Title** Recordation Tax: Leases of  
Communications Towers, Oil and Gas  
Rights, Coal and other Mineral Rights

**Second House:**

☒ In Committee

☐ Substitute

☐ Enrolled

**5. Summary/Purpose:**

This bill would set the recordation tax on leases of communication towers or communication tower sites to \$75. This bill would also set the tax on the recordation of each lease to affix communications equipment or antenna to a communications tower to \$15 for each tower that the equipment or antenna is to be affixed. Further, this bill would set the recordation tax on the leases of oil and gas rights to \$25, and the recordation tax on the leases of coal and other mineral rights to \$50. Finally, this bill would set the recordation tax on leases of outdoor advertising signs owned by a person engaged in the business of outdoor advertising licensed by the Virginia Department of Transportation to \$25.

The effective date of this bill is not specified.

**6. Fiscal Impact Estimates are:** Unknown. (See Line 8.)

**7. Budget amendment necessary:** No.

**8. Fiscal implications:**

**Administrative Costs**

The Department would be incur minimal administrative costs as a result of this bill.

**Revenue Impact**

This bill would increase General Fund revenues by an unknown amount.

**9. Specific agency or political subdivisions affected:**

Circuit Court Clerks

**10. Technical amendment necessary:** None

## **11. Other comments:**

The recordation tax for recording a lease is 15 cents per \$100 of the consideration or value contracted. Currently, the recordation tax for the recording of oil and gas rights leases cannot exceed \$25 and the recordation tax for the recording of coal or other mineral rights leases cannot exceed \$50. The recordation tax for recording leases on outdoor advertising signs owned by a person engaged in the business of outdoor advertising licensed by the Virginia Department of Transportation cannot exceed \$25.

This bill would set the recordation tax on leases of communication towers or communication tower sites from 15 cents per \$100 of the consideration or value contracted to \$75. This bill would also set the tax on the recordation of each lease to affix communications equipment or antenna to a communications tower to \$15 for each tower that the equipment or antenna is to be affixed. Further, this bill would set the recordation tax on the leases of oil and gas rights from any amount up to \$25 to \$25 and the recordation tax on the leases of coal and other mineral rights from any amount up to \$50 to \$50. Finally, this bill would set the recordation tax on leases of outdoor advertising signs owned by a person engaged in the business of outdoor advertising licensed by the Virginia Department of Transportation from any amount up to \$25 to \$25.

cc : Secretary of Finance