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HOUSE BILL NO. 1530

Offered January 12, 2005

Prefiled November 23, 2004

A BILL to amend the Code of Virginia by adding in Article 3 of Chapter 3 of Title 58.1 a section numbered 58.1-339.11, relating to commuter parking lot tax credit.

Patrons—Frederick and Hugo

Referred to Committee on Finance

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Article 3 of Chapter 3 of Title 58.1 a section numbered 58.1-339.11 as follows:

§ 58.1-339.11. Commuter parking lot tax credit.

A. For taxable years beginning on or after January 1, 2006, any individual shall be entitled to a credit against the tax levied pursuant to § 58.1-320, and any corporation shall be entitled to a credit against the tax levied pursuant to § 58.1-400, provided the following requirements are satisfied: (i) the individual or corporation owns a shopping center or strip mall that includes free public parking on the property; (ii) the individual or corporation allows commuters to park their vehicles in certain portions of such public parking areas; and (iii) the minimum number of spaces for such commuter parking is 50.

B. The governing body of the county, city or town in which the shopping center or strip mall is located, shall develop guidelines setting forth the general requirements of qualifying for the credit, including the parking lots for which the credit is eligible. The local governing body shall (i) include in its requirements the filing in the local clerk's office of some form of legal record that indicates which parking lots qualify, and (ii) provide in its zoning ordinance where surplus parking spaces may be committed to commuter parking. In addition to the requirements established by the governing body, the taxpayer must certify that the parking spaces allocated to commuter parking in their shopping centers and strip malls do not infringe on the parking spaces needed by retail customers in such shopping centers and strip malls. The minimum duration for the commuter parking spaces designation and the credit allowed shall be two years for each qualified taxpayer. Officials in the applicable locality shall check each parking lot annually to verify its continued compliance with the provisions of this section and the guidelines and shall report their findings to the Department of Taxation. If the local officials discover that the parking spaces are no longer designated and used by commuters prior to the end of the required term, written notification of such noncompliance shall be delivered to the taxpayer and the Department of Taxation.

C. The amount of the tax credit shall be \$50 for each approved parking space. If the amount of the credit exceeds the taxpayer's liability for such taxable year, the excess may be carried over for credit against income taxes in the next three taxable years until the total amount of the tax credit has been taken.

D. To claim the credit authorized under this section, the taxpayer shall apply to the governing body of the locality where the parking spaces are located which shall issue a verification certificate to the taxpayer. The taxpayer shall attach the certificate to the Virginia tax return on which the credit is claimed. In the event the parking spaces designated for commuter parking lose their designation prior to the end of the two-year term required by this section, the taxpayer shall repay the tax credit claimed. Within 60 days after receiving written notification from the local governing body that the taxpayer's use of the parking spaces no longer qualifies for the credit, repayment shall be made to the Department of Taxation. If repayment is not made within the 60-day period, the Department of Taxation shall notify the locality's Commonwealth Attorney for assistance in collecting the funds from the taxpayer.

INTRODUCED

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