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**HOUSE BILL NO. 2241**

Offered January 12, 2005

Prefiled January 11, 2005

*A BILL to amend and reenact § 58.1-3732.2 of the Code of Virginia, relating to limitations on gross receipts for real estate appraisers.*

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Patron—O'Bannon

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Referred to Committee on Finance**Be it enacted by the General Assembly of Virginia:****1. That § 58.1-3732.2 of the Code of Virginia is amended and reenacted as follows:****§ 58.1-3732.2. Limitation on gross receipts.**

A. Gross receipts of real estate brokers for license tax purposes under Chapter 37 (§ 58.1-3700 et seq.) of this title shall not include amounts received by any broker that arise from real estate sales transactions to the extent that such amounts are paid to a real estate agent as a commission on any real estate sales transaction and the agent is subject to the business license tax on such receipts. The broker claiming the exclusion shall identify on its license application each agent to whom the excluded receipts have been paid, and the jurisdiction in the Commonwealth of Virginia to which the agent is subject to business license taxes.

In the event that a real estate agent receives the full commission from the broker less an adjustment for the business license tax paid by the broker on such commissions and the agent pays a desk fee to the broker, the desk fee and other overhead costs paid by the agent to a broker shall not be included in the broker's gross receipts. If the agent files separately, the agent must identify on its license application the broker to whom such excluded receipts have been paid, and the amount of such receipts that were included in the broker's license application.

B. Gross receipts of real estate appraisers licensed under § 54.1-2011 for license tax purposes under Chapter 37 (§ 58.1-3700 et seq.) shall not include amounts received by any appraisal entity that arise from real estate appraisal transactions to the extent that such amounts are paid to an appraiser affiliated with the appraisal entity as a fee on any real estate appraisal transaction and the appraiser is subject to the business license tax on such receipts. The appraisal entity claiming the exclusion shall identify on its license application each appraiser to whom the excluded receipts have been paid, and the jurisdiction in the Commonwealth of Virginia to which the appraiser is subject to business license taxes.

INTRODUCED

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