

2006 SPECIAL SESSION I

INTRODUCED

069277700

SENATE BILL NO. 5018

Offered May 12, 2006

A BILL to provide tax relief to certain taxpayers.

Patron—Bell

Referred to Committee on Finance

Be it enacted by the General Assembly of Virginia:

1. § 1. The State Treasurer shall return \$500 million in revenues in each of fiscal years 2006-2007 and 2007-2008 to certain individual income tax filers. Individuals who (i) filed a Virginia individual income tax return for taxable year 2004 with at least \$5,000 of Virginia adjusted gross income for single individuals and \$8,000 of Virginia adjusted gross income for married persons, and (ii) filed such return by June 30, 2006, shall be eligible for a portion of the revenues returned in fiscal year 2006-2007. Individuals who (a) filed a Virginia individual income tax return for taxable year 2005 with at least \$7,000 of Virginia adjusted gross income for single individuals and \$14,000 of Virginia adjusted gross income for married persons, and (b) filed such return by June 30, 2007, shall be eligible for a portion of the revenues returned in fiscal year 2007-2008.

For the purposes of such income requirements, in any case in which spouses filed separate individual income tax returns, the Virginia adjusted gross income reported on the return of each spouse shall be added together.

§ 2. The \$500 million returned in fiscal year 2006-2007 shall be returned by dividing such amount by the total number of personal exemptions, but excluding any additional personal exemption for a blind or aged taxpayer, claimed on all Virginia individual income tax returns for taxable year 2004 meeting the criteria described in § 1. The resulting quotient shall be the amount returned for each such personal exemption lawfully claimed on each individual income tax return for taxable year 2004 meeting the criteria described in § 1. The State Treasurer shall return the \$500 million for 2004 taxable year income tax returns no later than October 1, 2006. The \$500 million returned in fiscal year 2007-2008 shall be returned in the same manner, except that such personal exemptions shall be determined using Virginia individual income tax returns for taxable year 2005. The State Treasurer shall return the \$500 million for 2005 taxable year income tax returns no later than October 1, 2007.

§ 3. The Tax Commissioner shall certify to the Comptroller the amount to be returned to each taxpayer by August 15, 2006, and August 15, 2007, respectively. Payments shall be made by check issued by the State Treasurer on warrant of the Comptroller.

§ 4. All amounts returned to a taxpayer pursuant to this act shall be exempt from Virginia income tax.

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