

074292492

**HOUSE BILL NO. 2262**

Offered January 10, 2007

Prefiled January 9, 2007

*A BILL to amend and reenact §§ 30-133, 46.2-623, 58.1-320, 58.1-3506, 58.1-3506.1, and 58.1-3912 of the Code of Virginia; to amend the Code of Virginia by adding in Article 5 of Chapter 36 of Title 58.1 a section numbered 58.1-3667; and to repeal § 15.2-1636.20, Chapter 35.1 (§§ 58.1-3523 through 58.1-3536) of Title 58.1, and § 58.1-3916.01 of the Code of Virginia, relating to replacing car tax reimbursements to localities with a portion of the state income tax.*

Patrons—Rust and Albo; Senator: Cuccinelli

Referred to Committee on Finance

**Be it enacted by the General Assembly of Virginia:**

**1. That §§ 30-133, 46.2-623, 58.1-320, 58.1-3506, 58.1-3506.1, and 58.1-3912 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding in Article 5 of Chapter 36 of Title 58.1 a section numbered 58.1-3667, as follows:**

**§ 30-133. Duties and powers generally.**

A. The Auditor of Public Accounts shall audit all the accounts of every state department, officer, board, commission, institution or other agency handling any state funds. In the performance of such duties and the exercise of such powers he may employ the services of certified public accountants, provided the cost thereof shall not exceed such sums as may be available out of the appropriation provided by law for the conduct of his office.

B. The Auditor of Public Accounts shall review the information required in § 2.2-1501 to determine that state agencies are providing and reporting appropriate information on financial and performance measures, and the Auditor shall review the accuracy of the management systems used to accumulate and report the results. The Auditor shall report annually to the General Assembly the results of such audits and make recommendations, if indicated, for new or revised accountability or performance measures to be implemented for the agencies audited.

C. The Auditor of Public Accounts shall prepare, by November 1, a summary of the results of all of the audits and other oversight responsibilities performed for the most recently ended fiscal year. The Auditor of Public Accounts shall present this summary to the Senate Finance, House Appropriations and House Finance Committees on the day the Governor presents to the General Assembly the Executive Budget in accordance with §§ 2.2-1508 and 2.2-1509 or at the direction of the respective Chairman of the Senate Finance, House Appropriations or House Finance Committees at one of their committee meetings prior to the meeting above.

D. As part of his normal oversight responsibilities, the Auditor of Public Accounts shall incorporate into his audit procedures and processes a review process to ensure that the Commonwealth's payments to counties, cities, and towns under Chapter 35.1 (§ 58.1-3523 et seq.) of Title 58.1 are consistent with the provisions of § 58.1-3524. The Auditor of Public Accounts shall report to the Governor and the Chairman of the Senate Finance Committee annually any material failure by a locality or the Commonwealth to comply with the provisions of Chapter 35.1 of Title 58.1.

ED. The Auditor of Public Accounts when called upon by the Governor shall examine the accounts of any institution maintained in whole or in part by the Commonwealth and, upon the direction of the Comptroller, shall examine the accounts of any officer required to settle his accounts with him; and upon the direction of any other state officer at the seat of government he shall examine the accounts of any person required to settle his accounts with such officer.

FE. Upon the written request of any member of the General Assembly, the Auditor of Public Accounts shall furnish the requested information and provide technical assistance upon any matter requested by such member.

GF. In compliance with the provisions of the federal Single Audit Act Amendments of 1996, Public Law 104-156, the Joint Legislative Audit and Review Commission may authorize the Auditor of Public Accounts to audit biennially the accounts pertaining to federal funds received by state departments, officers, boards, commissions, institutions or other agencies.

HG. 1. The Auditor of Public Accounts shall compile and maintain on its Internet website a searchable database providing certain state expenditure, revenue, and demographic information as described in this subsection. In maintaining the database, the Auditor of Public Accounts shall work with and coordinate his efforts with the Joint Legislative Audit and Review Commission in obtaining, summarizing, and compiling the information to avoid duplication of efforts. The database shall be

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59 updated each year by October 15 to provide the information required in this subsection for the 10 most  
60 recently ended fiscal years of the Commonwealth.

61 The online database shall be made available to citizens of the Commonwealth to allow public access  
62 to historical revenue collections and appropriations with related demographic information, to the extent  
63 that the information is available and provided to the Auditor of Public Accounts. All state departments,  
64 courts officers, boards, commissions, institutions, or other agencies of the Commonwealth shall furnish  
65 all information requested by the Auditor of Public Accounts and shall cooperate with him to the fullest  
66 extent.

67 2. The database shall contain the following for each of the 10 most recently ended fiscal years of the  
68 Commonwealth:

69 a. Major categories of spending by each secretariat and for major agencies;

70 b. The number of full-time state employees;

71 c. Total fiscal year revenues from state taxes, fees, and other charges, and total fiscal year revenues  
72 from state taxes, fees, and other charges computed on a per capita basis and as a percentage of personal  
73 income in the Commonwealth;

74 d. With regard to state taxes, fees, and other charges computed on a per capita basis and as a  
75 percentage of personal income, a comparison of such statistics for Virginia with the same statistics for  
76 other states;

77 e. Total fiscal year revenues from federal sources, including the major categories of spending for  
78 such revenues;

79 f. Total population and total population by various age groups including, but not limited to,  
80 school-age population and the population of persons 65 years of age and older;

81 g. Student enrollment in grades K through 12;

82 h. Enrollment in public institutions of higher education of the Commonwealth;

83 i. Enrollment in private institutions of higher education in the Commonwealth;

84 j. The annual prison population;

85 k. Virginia adjusted gross income and Virginia taxable income by various age groups;

86 l. The number of citizens in the Commonwealth receiving food stamps;

87 m. The number of driver's licenses issued;

88 n. The number of registered motor vehicles;

89 o. The number of full-time private sector employees;

90 p. The number of households;

91 q. The number of prepaid tuition contracts outstanding pursuant to Chapter 4.9 (§ 23-38.75 et seq.) of  
92 Title 23 and the estimated total liability under such contracts; and

93 r. Other data as the Auditor deems appropriate relating to the Commonwealth of Virginia.

94 3. By October 15 of each year, the Auditor shall also produce a paper copy or a computer file  
95 containing the information described in this subsection and shall distribute the copy or file to  
96 newspapers of general circulation in the Commonwealth. The distribution shall include the address of the  
97 Internet website for the searchable database.

98 § 46.2-623. Statements in application.

99 A. Every application for a certificate of title shall contain (i) a statement of the applicant's title and  
100 of all liens or encumbrances on the vehicle and the names and addresses of all persons having any  
101 interest in the vehicle and the nature of every interest in the vehicle; (ii) the Social Security number, if  
102 any, of the owner and, if the application is in the name of an employer for a business vehicle, the  
103 employer's identification number assigned by the United States Internal Revenue Service; and (iii) a  
104 brief description of the vehicle to be titled or registered, including the name of the maker, the vehicle  
105 identification or serial number and, when titling or registering a new vehicle, the date of sale by the  
106 manufacturer or dealer to the person first operating the vehicle.

107 B. Not later than July 15, 1998, the lessor of a qualifying vehicle, as defined in § 58.1-3523, shall  
108 send a report to the Department for each such qualifying vehicle it was leasing as of July 1, 1998, and  
109 has leased between January 1, 1998, and June 30, 1998, containing (i) the name and address of the  
110 lessee as it appears in the lease contract; (ii) the social security number of the lessee; and (iii) the  
111 registration number of the vehicle as described under Article 1 (§ 46.2-600 et seq.) of Chapter 6 of Title  
112 46.2.

113 C. Beginning with August 1998, such lessor shall send a monthly report to the Department, by the  
114 fifteenth day of the month or such later day as may be prescribed in the guidelines promulgated under  
115 § 58.1-3532, listing any changes, additions or deletions to the information provided under subsection B  
116 as of the last day of the preceding month.

117 DB. The application shall contain such additional information as may be required by the Department.

118 EC. The Department may require that an applicant present proof reasonably acceptable to the  
119 Department of the accuracy of information provided on the application, and may refuse to issue a  
120 certificate of title until such proof has been provided.

§ 58.1-320. Imposition of tax.

A. A tax is hereby annually imposed on the Virginia taxable income for each taxable year of every individual as follows:

Two percent on income not exceeding \$3,000;

Three percent on income in excess of \$3,000, but not in excess of \$5,000;

Five percent on income in excess of \$5,000, but not in excess of \$12,000 for taxable years beginning before January 1, 1987;

Five percent on income in excess of \$5,000 but not in excess of \$14,000 for taxable years beginning January 1, 1987, through December 31, 1987;

Five percent on income in excess of \$5,000 but not in excess of \$15,000 for taxable years beginning January 1, 1988, through December 31, 1988;

Five percent on income in excess of \$5,000 but not in excess of \$16,000 for taxable years beginning January 1, 1989, through December 31, 1989;

Five percent on income in excess of \$5,000 but not in excess of \$17,000 for taxable years beginning January 1, 1990;

Five and three-quarters percent on income in excess of \$12,000 for taxable years beginning before January 1, 1987;

Five and three-quarters percent on income in excess of \$14,000 for taxable years beginning January 1, 1987, through December 31, 1987;

Five and three-quarters percent on income in excess of \$15,000 for taxable years beginning January 1, 1988, through December 31, 1988;

Five and three-quarters percent on income in excess of \$16,000 for taxable years beginning January 1, 1989, through December 31, 1989; and

Five and three-quarters percent on income in excess of \$17,000 for taxable years beginning on and after January 1, 1990.

*B. An amount equal to 17.5% of the total individual income tax revenue actually collected by the Department of Taxation in the immediately preceding fiscal year shall be distributed no later than September 1 each year, beginning September 1, 2009, to every county, city, and town based on each county's, city's, and town's share of total Virginia taxable income.*

§ 58.1-3506. Other classifications of tangible personal property for taxation.

A. The items of property set forth below are each declared to be a separate class of property and shall constitute a classification for local taxation separate from other classifications of tangible personal property provided in this chapter:

1. a. Boats or watercraft weighing five tons or more, not used solely for business purposes;

b. Boats or watercraft weighing less than five tons, not used solely for business purposes;

2. Aircraft having a maximum passenger seating capacity of no more than 50 that are owned and operated by scheduled air carriers operating under certificates of public convenience and necessity issued by the State Corporation Commission or the Civil Aeronautics Board;

3. Aircraft having a registered empty gross weight equal to or greater than 20,000 pounds that are not owned or operated by scheduled air carriers recognized under federal law;

4. All other aircraft not included in subdivisions A 2 or A 3 and flight simulators;

5. Antique motor vehicles as defined in § 46.2-100 which may be used for general transportation purposes as provided in subsection C of § 46.2-730;

6. Tangible personal property used in a research and development business;

7. Heavy construction machinery not used for business purposes, including but not limited to land movers, bulldozers, front-end loaders, graders, packers, power shovels, cranes, pile drivers, forest harvesting and silvicultural activity equipment and ditch and other types of diggers;

8. Generating equipment purchased after December 31, 1974, for the purpose of changing the energy source of a manufacturing plant from oil or natural gas to coal, wood, wood bark, wood residue, or any other alternative energy source for use in manufacturing and any cogeneration equipment purchased to achieve more efficient use of any energy source. Such generating equipment and cogeneration equipment shall include, without limitation, such equipment purchased by firms engaged in the business of generating electricity or steam, or both;

9. Vehicles without motive power, used or designed to be used as manufactured homes as defined in § 36-85.3;

10. Computer hardware used by businesses primarily engaged in providing data processing services to other nonrelated or nonaffiliated businesses;

11. Privately owned pleasure boats and watercraft, 18 feet and over, used for recreational purposes only;

12. Privately owned vans with a seating capacity of not less than seven nor more than 15 persons, including the driver, used exclusively pursuant to a ridesharing arrangement as defined in § 46.2-1400;

182 13. Motor vehicles specially equipped to provide transportation for physically handicapped  
183 individuals;

184 14. Motor vehicles (i) owned by members of a volunteer rescue squad or volunteer fire department  
185 or (ii) leased by members of a volunteer rescue squad or volunteer fire department if the member is  
186 obligated by the terms of the lease to pay tangible personal property tax on the motor vehicle. One  
187 motor vehicle that is owned by each volunteer rescue squad member or volunteer fire department  
188 member, or leased by each volunteer rescue squad member or volunteer fire department member if the  
189 member is obligated by the terms of the lease to pay tangible personal property tax on the motor  
190 vehicle, may be specially classified under this section, provided the volunteer rescue squad member or  
191 volunteer fire department member regularly responds to emergency calls. The volunteer shall furnish the  
192 commissioner of revenue, or other assessing officer, with a certification by the chief or head of the  
193 volunteer organization, that the volunteer is a member of the volunteer rescue squad or fire department  
194 who regularly responds to calls or regularly performs other duties for the rescue squad or fire  
195 department, and the motor vehicle owned or leased by the volunteer rescue squad member or volunteer  
196 fire department member is identified. The certification shall be submitted by January 31 of each year to  
197 the commissioner of revenue or other assessing officer; however, the commissioner of revenue or other  
198 assessing officer shall be authorized, in his discretion, and for good cause shown and without fault on  
199 the part of the member, to accept a certification after the January 31 deadline. In any county that  
200 prorates the assessment of tangible personal property pursuant to § 58.1-3516, a replacement vehicle may  
201 be certified and classified pursuant to this subsection when the vehicle certified as of the immediately  
202 prior January date is transferred during the tax year;

203 15. Motor vehicles (i) owned by auxiliary members of a volunteer rescue squad or volunteer fire  
204 department or (ii) leased by auxiliary members of a volunteer rescue squad or volunteer fire department  
205 if the member is obligated by the terms of the lease to pay tangible personal property tax on the motor  
206 vehicle. One motor vehicle that is regularly used by each auxiliary volunteer fire department or rescue  
207 squad member may be specially classified under this section. The auxiliary member shall furnish the  
208 commissioner of revenue, or other assessing officer, with a certification by the chief or head of the  
209 volunteer organization, that the volunteer is an auxiliary member of the volunteer rescue squad or fire  
210 department who regularly performs duties for the rescue squad or fire department, and the motor vehicle  
211 is identified as regularly used for such purpose; however, if a volunteer rescue squad or fire department  
212 member and an auxiliary member are members of the same household, that household shall be allowed  
213 no more than two special classifications under this subdivision or subdivision 14 of this section. The  
214 certification shall be submitted by January 31 of each year to the commissioner of revenue or other  
215 assessing officer; however, the commissioner of revenue or other assessing officer shall be authorized, in  
216 his discretion, and for good cause shown and without fault on the part of the member, to accept a  
217 certification after the January 31 deadline;

218 16. Motor vehicles owned by a nonprofit organization and used to deliver meals to homebound  
219 persons or provide transportation to senior or handicapped citizens in the community to carry out the  
220 purposes of the nonprofit organization;

221 17. Privately owned camping trailers as defined in § 46.2-100, and privately owned travel trailers as  
222 defined in § 46.2-1900, which are used for recreational purposes only, and privately owned trailers as  
223 defined in § 46.2-100 which are designed and used for the transportation of horses except those trailers  
224 described in subdivision A 11 of § 58.1-3505;

225 18. One motor vehicle owned and regularly used by a veteran who has either lost, or lost the use of,  
226 one or both legs, or an arm or a hand, or who is blind or who is permanently and totally disabled as  
227 certified by the Department of Veterans Services. In order to qualify, the veteran shall provide a written  
228 statement to the commissioner of revenue or other assessing officer from the Department of Veterans  
229 Services that the veteran has been so designated or classified by the Department of Veterans Services as  
230 to meet the requirements of this section, and that his disability is service-connected. For purposes of this  
231 section, a person is blind if he meets the provisions of § 46.2-739;

232 19. Motor vehicles (i) owned by persons who have been appointed to serve as auxiliary police  
233 officers pursuant to Article 3 (§ 15.2-1731 et seq.) of Chapter 17 of Title 15.2 or (ii) leased by persons  
234 who have been so appointed to serve as auxiliary police officers if the person is obligated by the terms  
235 of the lease to pay tangible personal property tax on the motor vehicle. One motor vehicle that is  
236 regularly used by each auxiliary police officer to respond to auxiliary police duties may be specially  
237 classified under this section. In order to qualify for such classification, any auxiliary police officer who  
238 applies for such classification shall identify the vehicle for which this classification is sought, and shall  
239 furnish the commissioner of revenue or other assessing officer with a certification from the governing  
240 body that has appointed such auxiliary police officer or from the official who has appointed such  
241 auxiliary officers. That certification shall state that the applicant is an auxiliary police officer who  
242 regularly uses a motor vehicle to respond to auxiliary police duties, and it shall state that the vehicle for  
243 which the classification is sought is the vehicle that is regularly used for that purpose. The certification

shall be submitted by January 31 of each year to the commissioner of revenue or other assessing officer; however, the commissioner of revenue or other assessing officer shall be authorized, in his discretion, and for good cause shown and without fault on the part of the member, to accept a certification after the January 31 deadline;

20. Until the first to occur of June 30, 2009, or the date that a special improvements tax is no longer levied under § 15.2-4607 on property within a Multicounty Transportation Improvement District created pursuant to Chapter 46 (§ 15.2-4600 et seq.) of Title 15.2, tangible personal property that is used in manufacturing, testing, or operating satellites within a Multicounty Transportation Improvement District, provided that such business personal property is put into service within the District on or after July 1, 1999;

21. Motor vehicles which use clean special fuels as defined in § 46.2-749.3;

22. Wild or exotic animals kept for public exhibition in an indoor or outdoor facility that is properly licensed by the federal government, the Commonwealth, or both, and that is properly zoned for such use. "Wild animals" means any animals that are found in the wild, or in a wild state, within the boundaries of the United States, its territories or possessions. "Exotic animals" means any animals that are found in the wild, or in a wild state, and are native to a foreign country;

23. Furniture, office, and maintenance equipment, exclusive of motor vehicles, that are owned and used by an organization whose real property is assessed in accordance with § 58.1-3284.1 and that is used by that organization for the purpose of maintaining or using the open or common space within a residential development;

24. Motor vehicles, trailers, and semitrailers with a gross vehicle weight of 10,000 pounds or more used to transport property for hire by a motor carrier engaged in interstate commerce;

25. All tangible personal property employed in a trade or business other than that described in subdivisions A 1 through A 18, except for subdivision A 17, of § 58.1-3503;

26. Programmable computer equipment and peripherals employed in a trade or business;

27. Privately owned pleasure boats and watercraft, motorized and under 18 feet, used for recreational purposes only;

28. Privately owned pleasure boats and watercraft, nonmotorized and under 18 feet, used for recreational purposes only;

29. Privately owned motor homes as defined in § 46.2-100 that are used for recreational purposes only;

30. Tangible personal property used in the provision of Internet services. For purposes of this subdivision, "Internet service" means a service, including an Internet Web-hosting service, that enables users to access content, information, electronic mail, and the Internet as part of a package of services sold to customers;

31. Motor vehicles (i) owned by persons who serve as auxiliary, reserve, or special deputy sheriffs or (ii) leased by persons who serve as auxiliary, reserve, or special deputy sheriffs if the person is obligated by the terms of the lease to pay tangible personal property tax on the motor vehicle. For purposes of this subdivision, the term "auxiliary deputy sheriff" means auxiliary, reserve, or special deputy sheriff. One motor vehicle that is regularly used by each auxiliary deputy sheriff to respond to auxiliary deputy sheriff duties may be specially classified under this section. In order to qualify for such classification, any auxiliary deputy sheriff who applies for such classification shall identify the vehicle for which this classification is sought, and shall furnish the commissioner of revenue or other assessing officer with a certification from the governing body that has appointed such auxiliary deputy sheriff or from the official who has appointed such auxiliary deputy sheriff. That certification shall state that the applicant is an auxiliary deputy sheriff who regularly uses a motor vehicle to respond to such auxiliary duties, and it shall state that the vehicle for which the classification is sought is the vehicle that is regularly used for that purpose. The certification shall be submitted by January 31 of each year to the commissioner of revenue or other assessing officer; however, the commissioner of revenue or other assessing officer shall be authorized, in his discretion, and for good cause shown and without fault on the part of the member, to accept a certification after the January 31 deadline;

32. Forest harvesting and silvicultural activity equipment;

33. Equipment used primarily for research, development, production, or provision of biotechnology for the purpose of developing or providing products or processes for specific commercial or public purposes, including, but not limited to, medical, pharmaceutical, nutritional, and other health-related purposes; agricultural purposes; or environmental purposes but not for human cloning purposes as defined in § 32.1-162.21 or for products or purposes related to human embryo stem cells. For purposes of this section, biotechnology equipment means equipment directly used in activities associated with the science of living things;

34. Boats or watercraft weighing less than five tons, used for business purposes only; and

35. Boats or watercraft weighing five tons or more, used for business purposes only.

305 B. The governing body of any county, city or town may levy a tax on the property enumerated in  
306 subsection A at different rates from the tax levied on other tangible personal property. The rates of tax  
307 and the rates of assessment shall (i) for purposes of subdivisions 1, 2, 3, 4, 5, 7, 10 through 19, 21  
308 through 23, and 25 through 35 of subsection A, not exceed that applicable to the general class of  
309 tangible personal property, (ii) for purposes of subdivisions A 6, A 8, A 20, and A 24, not exceed that  
310 applicable to machinery and tools, and (iii) for purposes of subdivision A 9, equal that applicable to real  
311 property.

312 C. ~~Notwithstanding any other provision of this section, for any qualifying vehicle, as such term is~~  
313 ~~defined in § 58.1-3523, (i) included in any separate class of property in subsection A and (ii) assessed~~  
314 ~~for tangible personal property taxes by a county, city, or town receiving a payment from the~~  
315 ~~Commonwealth under Chapter 35.1 of this title for providing tangible personal property tax relief, the~~  
316 ~~county, city, or town may levy the tangible personal property tax on such qualifying vehicle at a rate~~  
317 ~~not to exceed the rates of tax and rates of assessment required under such chapter.~~

318 § 58.1-3506.1. Other classification for taxation of certain tangible personal property owned by certain  
319 elderly and handicapped persons.

320 The governing body of any county, city or town may, by ordinance, levy a tax on one motor vehicle  
321 owned and used primarily by or for anyone at least 65 years of age or anyone found to be permanently  
322 and totally disabled, as defined in § 58.1-3506.3, at a different rate from the tax levied on other tangible  
323 personal property, upon such conditions as the ordinance may prescribe. Such rate shall not exceed the  
324 tangible personal property tax on the general class of tangible personal property. For purposes of this  
325 article, the term motor vehicle shall include only automobiles and pickup trucks. Any such motor  
326 vehicle owned by a husband and wife may qualify if either spouse is 65 or over or if either spouse is  
327 permanently and totally disabled. ~~Notwithstanding any other provision of this section or article, for any~~  
328 ~~automobile or pickup truck that is (i) a qualifying vehicle, as such term is defined in § 58.1-3523, and~~  
329 ~~(ii) assessed for tangible personal property taxes by a county, city, or town receiving a payment from~~  
330 ~~the Commonwealth under Chapter 35.1 of this title for providing tangible personal property tax relief,~~  
331 ~~the rate of tax levied pursuant to this article shall not exceed the rates of tax and rates of assessment~~  
332 ~~required under such chapter.~~

333 § 58.1-3667. *Motor vehicles used for nonbusiness purposes.*

334 *Motor vehicles used for nonbusiness purposes are exempt from taxation.*

335 *For purposes of this section, "motor vehicle" means any passenger car, motorcycle, and pickup or*  
336 *panel truck, as those terms are defined in § 46.2-100, that is determined by the commissioner of the*  
337 *revenue of the county, city, or town in which the vehicle has situs as provided by § 58.1-3511 to be (i)*  
338 *owned by a natural person or (ii) leased by a natural person pursuant to a contract requiring the lessee*  
339 *to pay the tangible personal property tax on such vehicle. In making this determination the*  
340 *commissioner of revenue may rely on the registration of such vehicle with the Department of Motor*  
341 *Vehicles pursuant to Chapter 6 (§ 46.2-600 et seq.) of Title 46.2.*

342 *For purposes of this section "used for nonbusiness purposes" means the preponderance of use is for*  
343 *other than business purposes. The preponderance of use for other than business purposes shall be*  
344 *deemed not to be satisfied if: (i) the motor vehicle is expensed on the taxpayer's federal income tax*  
345 *return pursuant to Internal Revenue Code § 179, (ii) more than 50% of the basis for depreciation of the*  
346 *motor vehicle is depreciated for federal income tax purposes, or (iii) the allowable expense of total*  
347 *annual mileage in excess of 50% is deductible for federal income tax purposes or reimbursed pursuant*  
348 *to an arrangement between an employer and employee.*

349 § 58.1-3912. Treasurers to mail certain bills to taxpayers; penalties; electronic transmission.

350 A. The treasurer of every city and county shall, as soon as reasonably possible in each year, but not  
351 later than 14 days prior to the due date of the taxes, send or cause to be sent by United States mail to  
352 each taxpayer assessed with taxes and levies for that year a bill or bills setting forth the amounts due.  
353 The treasurer may elect not to send a bill amounting to \$20 or less as shown by an assessment book in  
354 such treasurer's office. The treasurer may employ the services of a mailing service or other vendor for  
355 fulfilling the requirements of this section. The failure of any such treasurer to comply with this section  
356 shall be a Class 4 misdemeanor. Such treasurer shall be deemed in compliance with this section as to  
357 any taxes due on real estate if, upon certification by the obligee of any note or other evidence of debt  
358 secured by a mortgage or deed of trust on such real estate that an agreement has been made with the  
359 obligor in writing within the mortgage or deed of trust instrument that such arrangements be made, he  
360 mails the bill for such taxes to the obligee thereof. Upon nonpayment of taxes by either the obligee or  
361 obligor, a past-due tax bill will be sent to the taxpayer. No governing body shall publish the name of a  
362 taxpayer in connection with a tax debt for which a bill was not sent, without first sending a notice of  
363 deficiency to his last known address at least two weeks before such publication.

364 B. The governing body of any county, city or town may attach to or mail with all real estate and  
365 tangible personal property tax bills, prepared for taxpayers in such locality, information indicating how  
366 the tax rate charged upon such property and revenue derived therefrom is apportioned among the various

367 services and governmental functions provided by the locality.

368 C. Notwithstanding the provisions of subsection A of this section, in any county which has adopted  
369 the urban county executive form of government, and in any county contiguous thereto which has  
370 adopted the county executive form of government, tangible personal property tax bills shall be mailed  
371 not later than 30 days prior to the due date of such taxes.

372 D. Notwithstanding the provisions of subsection A of this section, any county and town, the  
373 governing bodies of which mutually agree, shall be allowed to send, to each taxpayer assessed with  
374 taxes, by United States mail no later than 14 days prior to the due date of the taxes, a single real  
375 property tax bill and a single tangible personal property tax bill.

376 E. Beginning with tax year 2006, in addition to all other information currently appearing on tangible  
377 personal property tax bills, each such bill required to be sent pursuant to subsection A shall state on its  
378 face (i) whether the vehicle is a qualifying vehicle as defined in § 58.1-3523; (ii) a statement indicating  
379 the reduced tangible personal property tax rates applied to qualifying vehicles resulting from the  
380 Commonwealth's reimbursements for tangible personal property tax relief pursuant to § 58.1-3524, and  
381 the locality's tangible personal property tax rate for its general class of tangible personal property;  
382 provided that such statement shall not be required for tax bills in any county, city, or town that will not  
383 receive any reimbursement pursuant to subsection B of § 58.1-3524; (iii) the vehicle's registration  
384 number pursuant to § 46.2-604; (iv) the amount of tangible personal property tax levied on the vehicle;  
385 and (v) if the locality prorates personal property tax pursuant to § 58.1-3516, the number of months for  
386 which a bill is being sent.

387 FE. Notwithstanding the provisions of subsection A, the treasurer, consistent with guidelines  
388 promulgated by the Department of Taxation implementing the provisions of subdivision 2 of  
389 § 58.1-1820, may convey, with the written consent of the taxpayer, any tax bill by electronic means  
390 chosen by the taxpayer, including without limitation facsimile transmission or electronic mail (e-mail), in  
391 lieu of posting such bill by first-class mail. The treasurer conveying a bill by means authorized in this  
392 subsection shall maintain a copy (in written form or electronic media) of the bill reflecting the date of  
393 transmission until such time as the bill has been satisfied or otherwise removed from the treasurer's  
394 books by operation of law. Transmission of a bill pursuant to this subsection shall have the same force  
395 and effect for all purposes arising under this subtitle as mailing to the taxpayer by first-class mail on the  
396 date of transmission.

397 GF. Any solid waste disposal fee imposed by a county may be attached to, mailed with, or stated on  
398 the appropriate real estate tax bill.

399 2. That § 15.2-1636.20, Chapter 35.1 (§ 58.1-3523 through 58.1-3536) of Title 58.1, and  
400 § 58.1-3916.01 of the Code of Virginia are repealed.

401 3. That the provisions of this act shall become effective: (i) on January 1, 2009, and (ii) only if a  
402 constitutional amendment to Article X, Section 6 of the Constitution of Virginia making motor  
403 vehicles used for nonbusiness purposes exempt from taxation is ratified by a majority of voters  
404 voting on such measure at the election directed by law to be held on the Tuesday after the first  
405 Monday in November 2008.