

065130378

**HOUSE BILL NO. 67**

Offered January 11, 2006

Prefiled December 15, 2005

A *BILL to amend and reenact § 58.1-816 of the Code of Virginia, relating to distribution of state recordation tax to cities and counties.*

\_\_\_\_\_  
Patron—Lewis

\_\_\_\_\_  
Referred to Committee on Finance

**Be it enacted by the General Assembly of Virginia:****1. That § 58.1-816 of the Code of Virginia is amended and reenacted as follows:**

§ 58.1-816. Distribution of recordation tax to cities and counties.

A. Effective October 1, 1993, ~~twenty~~ \$20 million ~~dollars~~ of the taxes imposed under §§ 58.1-801 through 58.1-809 that are actually paid into the state treasury shall be distributed among the counties and cities of ~~this~~*the* Commonwealth in the manner provided in subsection B of this section. Effective July 1, 1994, such annual distribution shall increase to ~~forty~~ \$40 million ~~dollars~~.

B. Subject to any transfers required under §§ 58.1-815.1 and 58.1-816.1, the share of the state taxes distributable under this section among the counties and cities shall be apportioned and distributed quarterly to each county or city by the Comptroller by multiplying the amount to be distributed by a fraction in which the numerator is the amount of the taxes imposed under §§ 58.1-801 through 58.1-809 and actually paid into the state treasury that are attributable to deeds and other instruments recorded in the county or city and the denominator is the amount of taxes imposed under §§ 58.1-801 through 58.1-809 actually paid into the state treasury. All distributions pursuant to this section shall be made on a quarterly basis within ~~thirty~~ 30 days of the end of the quarter. Such quarterly distribution shall equal ~~ten~~ \$10 million ~~dollars~~. Each clerk of the court shall certify to the Comptroller, within ~~fifteen~~ 15 days after the end of the quarter, all amounts collected under §§ 58.1-801 through 58.1-809 and actually paid into the state treasury that are attributable to deeds and other instruments recorded in such county or city.

C. *Beginning June 30, 2007, and each June 30 thereafter, 50% of the taxes imposed under §§ 58.1-801 through 58.1-808 actually paid into the state treasury that are attributable to deeds and other instruments recorded in any county or city that has a Purchase of Development Rights program in effect, or has filed a statement of intent with the Virginia Department of Agriculture and Consumer Services that it will create the program within three years or less from the date of such filing, shall be apportioned and distributed to or for each such county or city by the Comptroller as provided in this section. If the county or city has a Purchase of Development Rights program in effect, then the Comptroller shall distribute the applicable amount of revenue directly to such county or city. If the county or city does not have such a program in effect, but has filed a statement of intent with the Virginia Department of Agriculture and Consumer Services that it will create such a program within three years or less from the date of such filing, then the Comptroller shall distribute the applicable amount of revenue to the Virginia Department of Agriculture and Consumer Services to be held in trust for the county or city. The amount held in trust, less reasonable administrative costs, shall be distributed to the city or county at the time that the city or county actually establishes a Purchase of Development Rights program, provided such program was established within three years or less from the date that the statement of intent was filed with the Virginia Department of Agriculture and Consumer Services. All amounts held in trust for any city or county that does not establish a Purchase of Development Rights program within three years or less from the date that the statement of intent was filed with the Virginia Department of Agriculture and Consumer Services shall be distributed to or for the other counties and cities covered by this subsection according to the ratio set forth in subsection B. Thereafter, the distributions made for such county or city shall cease.*

*All moneys distributed to counties and cities pursuant to this subsection shall be used solely to fund the Purchase of Development Rights program.*

D. All moneys distributed to counties and cities pursuant to this section, *except for those distributed pursuant to subsection C*, shall be used for (i) transportation purposes, including, without limitation, construction, administration, operation, improvement, maintenance, and financing of transportation facilities, or (ii) public education.

As used in this section, the term "transportation facilities" shall include all transportation-related facilities including, but not limited to, all highway systems, public transportation or mass transit systems as defined in § 33.1-12, airports as defined in § 5.1-1, and port facilities as defined in § 62.1-140. Such

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HB67

59 term shall be liberally construed for purposes of this section.

60 ~~DE.~~ If any revenues distributed to a county or city under subsection ~~C~~ *B* of this section are applied  
61 or expended for any transportation facilities under the control and jurisdiction of any state agency,  
62 board, commission, or authority, such transportation facilities shall be constructed, operated,  
63 administered, improved, and maintained in accordance with laws, rules, regulations, policies, and  
64 procedures governing such state agency, board, commission, or authority; however, in the event these  
65 revenues, or a portion thereof, are expended for improving or constructing highways in a county which  
66 is subject to the provisions of § 33.1-75.3, such expenditures shall be undertaken in the manner  
67 prescribed in that statute.

68 ~~EF.~~ In the case of any distribution to a county or city in which an office-sharing agreement pursuant  
69 to §§ 15.2-1637 and 15.2-3822 is in effect, the Comptroller shall divide the distribution among the  
70 office-sharing counties and cities. Each clerk of the court acting pursuant to an office-sharing agreement  
71 shall certify to the Comptroller, within ~~fifteen~~ 15 days after the end of the quarter, all amounts collected  
72 under §§ 58.1-801 through 58.1-809 and actually paid into the state treasury that are attributable to  
73 deeds and other instruments recorded on behalf of each county and city.