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## HOUSE JOINT RESOLUTION NO. 724

Offered January 14, 2009

Prefiled January 14, 2009

*Proposing an amendment to the Constitution of Virginia by adding in Article X a section numbered 7-B, relating to limits on appropriations.*

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Patrons—Gilbert and Cole

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Referred to Committee on Rules

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RESOLVED by the House of Delegates, the Senate concurring, a majority of the members elected to each house agreeing, That the following amendment to the Constitution of Virginia be, and the same hereby is, proposed and referred to the General Assembly at its first regular session held after the next general election of members of the House of Delegates for its concurrence in conformity with the provisions of Section 1 of Article XII of the Constitution of Virginia, namely:

Amend the Constitution of Virginia by adding in Article X a section numbered 7-B as follows:

## ARTICLE X

## TAXATION AND FINANCE

*Section 7-B. Limit on appropriations.*

*Beginning with the Commonwealth's fiscal year starting on July 1, 2011, the General Assembly shall not make total appropriations for any fiscal year that exceed the total appropriations for the immediately preceding fiscal year plus a percentage increase equal to (i) the average percentage increase in the rate of inflation for the two most recently available years, plus (ii) the average percentage increase in state population for the two most recently available years, both as shall be defined by general law. For purposes of this section, "total appropriations" means all appropriations except for any moneys appropriated that are received from the federal government or an agency or unit thereof.*

*Beginning with the Commonwealth's fiscal year starting on July 1, 2011, any revenues collected by the Commonwealth in excess of the limitation provided herein shall be distributed as follows: 75 percent shall be refunded to individual income taxpayers of the Commonwealth and 25 percent shall be deposited to the Revenue Stabilization Fund as established pursuant to Section 8 of this article. Refunds to taxpayers shall be payable to taxpayers who have filed an income tax return for the calendar year in which the fiscal year surplus is determined and shall be based on each taxpayer's pro rata share of the total individual income taxes collected in the calendar year in which the fiscal year surplus is determined. If the balance in the Revenue Stabilization Fund exceeds the limitation established in Section 8, such excess shall be added to the amount to be refunded to individual income taxpayers,*

*If the amount in excess of such limitation is less than or equal to one percent of such limitation, the total excess shall be deposited to the Revenue Stabilization Fund; however, if the Fund's balance exceeds the limitation established in Section 8, such excess less than or equal to one percent shall be paid into the general fund after appropriation by the General Assembly.*

*The General Assembly shall enact such laws as may be necessary to implement the provisions of this section.*

INTRODUCED

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