

# 2010 SESSION

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## HOUSE BILL NO. 1301

Offered January 21, 2010

A *BILL to amend the Code of Virginia by adding a section numbered 58.1-3510.6:01, relating to the short-term rental property tax.*

Patrons—Lohr and Landes

Referred to Committee on Finance

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

**1. That the Code of Virginia is amended by adding a section numbered 58.1-3510.6:1 as follows:**

**§ 58.1-3510.6:01. Exemption from the short-term rental property tax.**

A. The governing body of any county, city, or town levying the tax authorized by this article may, by ordinance, exempt from such tax any person engaged in the short-term rental business under subdivision B 1 or B 2 of § 58.1-3510.4, provided that the gross proceeds of such person from all short-term rental property transactions entered into during the preceding year were not in excess of \$25,000. B. Such ordinance may also exempt from such tax any person who has not previously rented short-term rental property or a beginning business, provided that (i) the person files an application for a certificate of registration pursuant to § 58.1-3510.5, (ii) the commissioner of the revenue determines that the person likely will be engaged in the short-term rental business under subdivision B 1 or B 2 of § 58.1-3510.4 for the respective year, and (iii) the commissioner of the revenue determines that, based upon a reasonable estimate provided by the person, the gross proceeds of such person from all short-term rental property transactions are likely not to exceed \$25,000 for the respective year. The \$25,000 threshold shall be prorated for persons who first begin conducting business subsequent to the first day of the county's, city's, or town's tax year.

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