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SENATE BILL NO. 68

Offered January 11, 2012

Prefiled January 5, 2012

A *BILL to amend the Code of Virginia by adding in Article 13 of Chapter 3 of Title 58.1 a section numbered 58.1-439.12:11, relating to industrial building rehabilitation tax credit.*

Patron—Stanley

Referred to Committee on Finance

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Article 13 of Chapter 3 of Title 58.1 a section numbered 58.1-439.12:11 as follows:

§ 58.1-439.12:11. Industrial building rehabilitation tax credit.

A. For taxable years beginning on and after January 1, 2013, any company establishing a new business within a locality in the Commonwealth and locating such business in an existing industrial building that is at least 25 years old shall be allowed a credit against the taxes imposed by Articles 2 (§ 58.1-320 et seq.) and 10 (§ 58.1-400 et seq.) in the amount paid or incurred by the company during the taxable year for the purpose of rehabilitating or retrofitting such existing industrial building. The total amount of the credit shall not exceed \$100,000.

B. For purposes of this section, the amount of any credit attributable to a partnership, electing small business corporation (S corporation), or limited liability company shall be allocated to the individual partners, shareholders, or members, respectively, in proportion to their ownership or interest in such business entities.

C. Any credit not usable for the taxable year may be carried over for the next three taxable years. The amount of credit allowed pursuant to this section shall not exceed the tax imposed for such taxable year. No credit shall be carried back to a preceding taxable year.

D. No business shall be eligible to claim a credit under this section if the business is claiming or has claimed a tax credit for the same rehabilitation or retrofitting expenses under § 58.1-339.2.

INTRODUCED

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