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SENATE BILL NO. 78

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 corporate tax credit; taxes paid in another state.

Patron—Watkins

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. Tax credit for taxes on sales paid in another state.

For taxable years beginning on or after January 1, 2012, a taxpayer that pays corporate income tax pursuant to § 58.1-400 based upon 100 percent of its sales shall be eligible to claim a credit against the taxes levied pursuant to § 58.1-400 equal to the amount of taxes paid to another state that collects tax based upon sales in that state. The taxpayer shall claim the credit on its income tax return in a manner prescribed by the Department.

INTRODUCED

SB78