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**SENATE BILL NO. 1447**

Offered January 23, 2015

A *BILL to amend and reenact § 58.1-400 of the Code of Virginia, relating to corporate income tax; rate of taxation.*

Patrons—McDougle, Garrett and Stanley

Referred to Committee on Finance

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

**1. That § 58.1-400 of the Code of Virginia is amended and reenacted as follows:**

**§ 58.1-400. Imposition of tax.**

A. A tax at the rate of six percent is hereby annually imposed on the Virginia taxable income for each taxable year of every corporation organized under the laws of the Commonwealth and every foreign corporation having income from Virginia sources.

B. *Notwithstanding the provisions of subsection A, and for taxable years beginning on or after January 1, 2016, if a corporation that was previously considered inverted such that only its United States profits, but not its foreign profits, were taxable pursuant to federal law, makes a capital investment of at least \$5 million to open a facility or business operation in the Commonwealth on or after January 1, 2016, then the first \$5 million of profits of such corporation per year shall be exempt from taxation for each of its first five years of operation of such facility or business.*

**2. That the Department of Taxation shall develop guidelines implementing the provisions of this act.**

INTRODUCED

SB1447