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HOUSE BILL NO. 1999

Offered January 13, 2021
Prefiled January 11, 2021

A BILL to amend and reenact § 58.1-112 of the Code of Virginia, relating to authorizing Tax Commissioner to waive accrual of interest in the event that the Governor declares a state of emergency.

Patrons—Murphy, Tran, Ayala, Bagby, Reid, Roem, Simon and Watts

Referred to Committee on Finance

Be it enacted by the General Assembly of Virginia:

1. That § 58.1-112 of the Code of Virginia is amended and reenacted as follows:

§ 58.1-112. Return filing frequency; waiver of penalties.

A. In the case of any return or payment for a tax administered by the Department that is required to be filed or paid more often than annually, the Tax Commissioner shall have the authority to set thresholds or other conditions in which such returns or payments for all or any class of taxpayers may be filed or paid less frequently, but at least annually.

B. The Tax Commissioner shall have the authority to waive penalties and grant extensions of time to file a return or pay a tax, or both, to any class of taxpayers when the Tax Commissioner in his discretion finds that the normal due date has *caused*, or would~~,~~ cause, undue hardship to the class of taxpayers because of a natural disaster or other reason.

C. *The Tax Commissioner shall have the authority to waive interest for any class of taxpayers when the Tax Commissioner in his discretion finds that imposing interest has caused, or would cause, undue hardship to the class of taxpayers because of a natural disaster or other reason. The Tax Commissioner may grant a waiver of interest only to the extent that the Governor declares a state of emergency to exist in the Commonwealth pursuant to subdivision (7) of § 44-146.17 with respect to such natural disaster or other reason.*

D. Any action of the Department under this section shall be exempt from the Administrative Process Act and the Virginia Register Act, but the Department shall preserve the reason for its action among its records. The Department shall promulgate its action in a manner that is reasonably calculated to inform the affected class of the action.