

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact § 58.1-3500 of the Code of Virginia and to amend the Code of Virginia by*
3 *adding in Article 7 of Chapter 32 of Title 58.1 a section numbered 58.1-3295.3, relating to property*
4 *tax; data centers.*

5 [S 513]

6 Approved

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

8 **1. That § 58.1-3500 of the Code of Virginia is amended and reenacted and that the Code of**
9 **Virginia is amended by adding in Article 7 of Chapter 32 of Title 58.1 a section numbered**
10 **58.1-3295.3 as follows:**

11 **§ 58.1-3295.3. Assessment of real property; data centers.**12 *A. As used in this section:*

13 *"Computer equipment and peripherals" means computer equipment and peripherals subject to*
14 *classification under the provisions of subdivision A 17 of § 58.1-3503 or under the provisions of*
15 *subdivision A 43 of § 58.1-3506.*

16 *"Cost approach" means assessing value by determining the cost to construct a reproduction or*
17 *suitable replacement of fixtures and deducting physical, functional, and economic depreciation sustained*
18 *by such fixtures.*

19 *"Data center" means the same as such term is defined in subdivision A 43 of § 58.1-3506.*

20 *"Fixtures" means all fixtures and equipment used in a data center except computer equipment and*
21 *peripherals, equipment used for external surveillance and security, and fire and burglar alarm systems.*
22 *"Fixtures" includes generators, radiators, exhaust fans, and fuel storage tanks; electrical substations,*
23 *power distribution equipment, cogeneration equipment, and batteries; chillers, computer room air*
24 *conditioners, and cool towers; heating, ventilating, and air conditioning systems; water storage tanks,*
25 *water pumps, and piping; monitoring systems; and transmission and distribution equipment.*

26 *B. If fixtures are installed at a data center and taxed under the provisions of this chapter, such*
27 *fixtures shall be assessed using the cost approach.*

28 **§ 58.1-3500. Defined and segregated for local taxation.**

29 *Tangible personal property shall consist of all personal property not otherwise classified by (i)*
30 *§ 58.1-1100 as intangible personal property, (ii) § 58.1-3510 as merchants' capital, or (iii) § 58.1-3510.4*
31 *as short-term rental property. "Tangible personal property" does not include fixtures, as defined in*
32 *§ 58.1-3295.3, if such fixtures are taxed in accordance with § 58.1-3295.3. Such tangible personal*
33 *property is hereby segregated for and made subject to local taxation only pursuant to Article X, Section*
34 *4 of the Constitution of Virginia.*

ENROLLED

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