

LD7398633

SENATE BILL NO. 34

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Joint Conference Committee on March 7, 1994)

(Patron Prior to Substitute—Senator Colgan)

A BILL to amend and reenact §§ 58.1-609.2, 58.1-609.3, 58.1-609.7, 58.1-609.8, and 58.1-609.9 of the Code of Virginia, relating to sales and use tax exemptions.

Be it enacted by the General Assembly of Virginia:

1. That §§ 58.1-609.2, 58.1-609.3, 58.1-609.7, 58.1-609.8, and 58.1-609.9 of the Code of Virginia are amended and reenacted as follows:

§ 58.1-609.2. Agricultural exemptions.

The tax imposed by this chapter or pursuant to the authority granted in §§ 58.1-605 and 58.1-606 shall not apply to the following:

1. Commercial feeds; seeds; plants; fertilizers; liming materials; breeding and other livestock; semen; breeding fees; baby chicks; turkey poults; rabbits; quail; llamas; bees; agricultural chemicals; fuel for drying or curing crops; baler twine; containers for fruit and vegetables; farm machinery; tangible personal property, except for structural construction materials to be affixed to real property owned or leased by a farmer, necessary for use in agricultural production for market and sold to or purchased by a farmer or contractor; and agricultural supplies provided the same are sold to and purchased by farmers for use in agricultural production, which also includes beekeeping and fish, quail, rabbit and worm farming for market.

2. Every agricultural commodity or kind of seafood sold or distributed by any person to any other person who purchases not for direct consumption but for the purpose of acquiring raw products for use or consumption in the process of preparing, finishing, or manufacturing such agricultural or seafood commodity for the ultimate retail consumer trade, except when such agricultural or seafood commodity is actually sold or distributed as a marketable or finished product to the ultimate consumer. "Agricultural commodity," for the purposes of this subdivision, means horticultural, poultry, and farm products, and livestock and livestock products, and products derived from bees and beekeeping.

3. Livestock and livestock products, poultry and poultry products, and farm and agricultural products, when produced by the farmer and used or consumed by him and the members of his family.

4. Machinery, tools, equipment, materials or repair parts therefor or replacement thereof; fuel or supplies; and fishing boats, marine engines installed thereon or outboard motors used thereon, and all replacement or repair parts in connection therewith; provided the same are sold to and purchased by watermen for use by them in extracting fish, bivalves or crustaceans from waters for commercial purposes.

5. Machinery or tools or repair parts therefor or replacements thereof, fuel, power, energy or supplies, and cereal grains and other feed ingredients, including, but not limited to, drugs, vitamins, minerals, nonprotein nitrogen, and other supplements or additives, used directly in making feed for sale or resale. Making of feed shall include the mixing of liquid ingredients.

6. Machinery or tools and repair parts therefor or replacements thereof, fuel, power, energy or supplies, used directly in the harvesting of forest products for sale or for use as a component part of a product to be sold.

§ 58.1-609.3. Commercial and industrial exemptions.

The tax imposed by this chapter or pursuant to the authority granted in §§ 58.1-605 and 58.1-606 shall not apply to the following:

1. Personal property purchased by a contractor which is used solely in another state or in a foreign country, which could be purchased by such contractor for such use free from sales tax in such other state or foreign country, and which is stored temporarily in Virginia pending shipment to such state or country.

2. (i) Industrial materials for future processing, manufacturing, refining, or conversion into articles of tangible personal property for resale where such industrial materials either enter into the production of or become a component part of the finished product; (ii) industrial materials that are coated upon or impregnated into the product at any stage of its being processed, manufactured, refined, or converted for resale; (iii) machinery or tools or repair parts therefor or replacements thereof, fuel, power, energy, or supplies, used directly in processing, manufacturing, refining, mining or converting products for sale or resale; (iv) materials, containers, labels, sacks, cans, boxes, drums or bags for future use for packaging tangible personal property for shipment or sale; or (v) equipment, printing or supplies used directly to produce a publication described in subdivision 3 of § 58.1-609.6 whether it is ultimately sold at retail or for resale or distribution at no cost. Machinery, tools and equipment, or repair parts therefor or

SENATE SUBSTITUTE

SB34S1

60 replacements thereof, shall be exempt if the preponderance of their use is directly in processing,
61 manufacturing, refining, mining or converting products for sale or resale. *The provisions of this*
62 *subsection do not apply to the drilling, extraction, refining, or processing of oil, gas, natural gas and*
63 *coalbed methane gas.*

64 3. Tangible personal property sold or leased to (i) a public service corporation subject to a state
65 franchise or license tax upon gross receipts, (ii) a telecommunications company as defined in
66 § 58.1-400.1 or (iii) a telephone company chartered in the Commonwealth which is exclusively a local
67 mutual association and is not designated to accumulate profits for the benefit of, or to pay dividends to,
68 the stockholders or members thereof, for use or consumption by such corporation, company, person or
69 mutual association directly in the rendition of its public service; and tangible personal property sold or
70 leased to a public service corporation engaged in business as a common carrier of property or
71 passengers by motor vehicle or railway, for use or consumption by such common carrier directly in the
72 rendition of its public service.

73 4. Ships or vessels, or repairs and alterations thereof, used or to be used exclusively or principally in
74 interstate or foreign commerce; fuel and supplies for use or consumption aboard ships or vessels plying
75 the high seas, either in intercoastal trade between ports in the Commonwealth and ports in other states
76 of the United States or its territories or possessions, or in foreign commerce between ports in the
77 Commonwealth and ports in foreign countries, when delivered directly to such ships or vessels; or
78 tangible personal property used directly in the building, conversion or repair of the ships or vessels
79 covered by this subdivision.

80 5. Tangible personal property purchased for use or consumption directly and exclusively in basic
81 research or research and development in the experimental or laboratory sense.

82 6. Tangible personal property sold or leased to an airline operating in intrastate, interstate or foreign
83 commerce as a common carrier providing scheduled air service, as defined in § 58.1-1501, on a
84 continuing basis to one or more Virginia airports for use or consumption by such airline directly in the
85 rendition of its common carrier service.

86 7. Meals furnished by restaurants or food service operators to employees as a part of wages.

87 8. Tangible personal property including machinery and tools, repair parts or replacements thereof,
88 and supplies and materials used directly in maintaining and preparing textile products for rental or
89 leasing by an industrial processor engaged in the commercial leasing or renting of laundered textile
90 products.

91 9. Certified pollution control equipment and facilities as defined in § 58.1-3660.

92 10. Parts, tires, meters and dispatch radios sold or leased to taxicab operators for use or consumption
93 directly in the rendition of their services.

94 11. High speed electrostatic duplicators or any other duplicators which have a printing capacity of
95 4,000 impressions or more per hour purchased or leased by persons engaged primarily in the printing or
96 photocopying of products for sale or resale.

97 12. *From July 1, 1994, through June 30, 1996, raw materials, fuel, power, energy, supplies,*
98 *machinery or tools or repair parts therefor or replacements thereof, used directly in the drilling,*
99 *extraction, refining, or processing of natural gas or oil and the reclamation of the well area. For the*
100 *purposes of this section, the term "natural gas" shall mean "gas," "natural gas," and "coalbed methane*
101 *gas" as defined in § 45.1-361.1. For the purposes of this section, "drilling," "extraction," "refining," and*
102 *"processing" shall include production, inspection, testing, dewatering, dehydration, or distillation of raw*
103 *natural gas into a usable condition consistent with commercial practices, and the gathering and*
104 *transportation of raw natural gas to a facility wherein the gas is converted into such a usable condition.*
105 *Machinery, tools and equipment, or repair parts therefor or replacements thereof, shall be exempt if the*
106 *preponderance of their use is directly in the drilling, extraction, refining, or processing of natural gas*
107 *or oil for sale or resale, or in well area reclamation activities required by state or federal law.*

108 § 58.1-609.7. Medical-related exemptions.

109 The tax imposed by this chapter or pursuant to the authority granted in §§ 58.1-605 and 58.1-606
110 shall not apply to the following:

111 1. Medicines, drugs, hypodermic syringes, artificial eyes, contact lenses, eyeglasses and hearing aids
112 dispensed by or sold on prescriptions or work orders of licensed physicians, dentists, optometrists,
113 ophthalmologists, opticians, audiologists, hearing aid dealers and fitters, and veterinarians; and controlled
114 drugs purchased for use by a licensed physician in his professional practice, regardless of whether such
115 practice is organized as a sole proprietorship, partnership or professional corporation, or any other type
116 of corporation in which the shareholders and operators are all licensed physicians engaged in the
117 practice of medicine, but excluding hospitals, nursing homes, clinics, and similar corporations not
118 otherwise exempt under this section. Any veterinarian dispensing or selling medicines or drugs on
119 prescription shall be deemed to be the user or consumer of all such medicines and drugs.

120 2. Wheelchairs and parts therefor, braces, crutches, prosthetic devices, orthopedic appliances,
121 catheters, urinary accessories, other durable medical equipment and devices, and related parts and

122 supplies specifically designed for those products; and insulin and insulin syringes, and equipment,
123 devices or chemical reagents which may be used by a diabetic to test or monitor blood or urine, when
124 such items or parts are purchased by or on behalf of an individual for use by such individual. Durable
125 medical equipment is equipment which (i) can withstand repeated use, (ii) is primarily and customarily
126 used to serve a medical purpose, (iii) generally is not useful to a person in the absence of illness or
127 injury, and (iv) is appropriate for use in the home.

128 3. Drugs and supplies used in hemodialysis and peritoneal dialysis.

129 4. Tangible personal property for use or consumption by a nonprofit hospital or a nonprofit licensed
130 nursing home.

131 5. Tangible personal property for use or consumption by community health centers exempt from
132 taxation under § 501 (c) (3) of the Internal Revenue Code and established for the purpose of providing
133 health care services for areas of the Commonwealth containing a medically underserved population as
134 defined by 42 U.S.C. § 254 c (b) (3).

135 6. Special equipment installed on a motor vehicle when purchased by a handicapped person to enable
136 such person to operate the motor vehicle.

137 7. Tangible nonmedical personal property purchased by a nonprofit organization organized
138 exclusively for the purpose of providing housing and ancillary assistance for ~~children~~*individuals*
139 suffering from leukemia or oncological diseases, for other ill ~~children~~*individuals*, and for the families of
140 such ~~children~~*individuals* during periods of medical treatment of such ~~children~~*individuals* at any hospital
141 in the Commonwealth.

142 8. Tangible personal property purchased by a voluntary health organization exempt from taxation
143 under § 501 (c) (3) of the Internal Revenue Code and organized exclusively for the purpose of providing
144 direct therapeutic and rehabilitative services, such as speech therapy, physical therapy, and camping and
145 recreational activities, to the children and adults of this Commonwealth regardless of the nature of their
146 disease or socio-economic position.

147 9. Special typewriters and computers and related parts and supplies specifically designed for those
148 products used by handicapped persons to communicate when such equipment is prescribed by a licensed
149 physician.

150 10. Tangible personal property purchased for use or consumption by health maintenance
151 organizations licensed under Chapter 43 (§ 38.2-4300 et seq.) of Title 38.2 which are exempt from
152 taxation under § 501 (c) (3) of the Internal Revenue Code.

153 11. Tangible personal property for use or consumption by a nonprofit, nonstock corporation which is
154 exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and which is organized under
155 the laws of the Commonwealth exclusively for the purpose of conducting a clinic furnishing free health
156 care services by licensed physicians and dentists.

157 12. Tangible personal property purchased for use or consumption by any nonprofit hospital
158 cooperative or nonprofit hospital corporation organized and operated for the sole purpose of providing
159 services exclusively to nonprofit hospitals. This exemption shall not apply to any nonprofit hospital,
160 cooperative or nonprofit hospital corporation providing services of any kind or to any extent to other
161 than nonprofit hospitals.

162 13. From July 1, 1989, through June 30, ~~1994~~ 1998, tangible personal property purchased for use or
163 consumption by a nonprofit high blood pressure center which is used exclusively to provide medical
164 assistance to indigent persons diagnosed with hypertension.

165 14. From July 1, 1989, through June 30, ~~1994~~ 1998, tangible personal property purchased for use or
166 consumption by a tissue bank exempt from taxation under § 501 (c) (3) of the Internal Revenue Code
167 and established for purposes of ~~harvesting~~*procuring*, preserving, processing ~~and~~, *allocating or*
168 distributing bones, *organs, blood,* skin and other human tissue to licensed physicians for clinical use.

169 15. Beginning July 1, 1994, any nonprescription drugs and proprietary medicines purchased for the
170 cure, mitigation, treatment, or prevention of disease in human beings. The terms "nonprescription drugs"
171 and "proprietary medicines" shall be defined pursuant to regulations promulgated by the Department of
172 Taxation. The exemption authorized in this subdivision shall not apply to cosmetics.

173 16. *From July 1, 1994, through June 30, 1998, tangible personal property purchased for use or*
174 *consumption or sold by a volunteer medical services organization exempt from taxation under*
175 *§ 501(c)(3) of the Internal Revenue Code and established to provide reconstructive surgery and related*
176 *health care to indigent children and young adults in developing countries and the United States.*

177 § 58.1-609.8. Nonprofit civic and community service exemptions.

178 The tax imposed by this chapter or pursuant to the authority granted in §§ 58.1-605 and 58.1-606
179 shall not apply to the following:

180 1. Tangible personal property purchased for use or consumption by or sold by a volunteer fire
181 department or volunteer rescue squad or auxiliary of such department or squad not conducted for profit
182 and construction materials to be incorporated into realty when sold to and used by such organization,

183 rather than a contractor, in construction, maintenance, or repair of any property of such organization.

184 2. Tangible personal property, except property used in any form of recording and reproducing
185 services, purchased by churches organized not for profit and which are exempt from taxation under
186 § 501 (c) (3) of the Internal Revenue Code, or whose real property is exempt from local taxation
187 pursuant to the provisions of § 58.1-3606, for use (i) in religious worship services by a congregation or
188 church membership while meeting together in a single location and (ii) in the libraries, offices, meeting
189 or counseling rooms or other rooms in the public church buildings used in carrying out the work of the
190 church and its related ministries, including kindergarten, elementary and secondary schools. The
191 exemption for such churches shall also include baptistries; bulletins, programs, newspapers and
192 newsletters which do not contain paid advertising and are used in carrying out the work of the church;
193 gifts for distribution outside the public church building; and food, disposable serving items, cleaning
194 supplies and teaching materials used in the operation of camps or conference centers by the church or an
195 organization composed of churches that are exempt under this subdivision and which are used in
196 carrying out the work of the church or churches.

197 3. Tangible personal property sold or leased for use in nonprofit nutrition programs for the elderly
198 qualifying under 42 U.S.C. § 3030 (e) through (g), as amended, as administered by the Virginia
199 Department for the Aging, and the food and food products sold under such programs to elderly persons
200 and the food and food products sold by such program participants to disabled or handicapped persons
201 under the age of sixty.

202 4. Tangible personal property bought, sold or used by Virginia Federation of Humane Societies or
203 any chartered, not-for-profit organization incorporated under the laws of this Commonwealth and
204 organized for the purpose of preventing cruelty to animals and promoting humane care of animals, when
205 such property is used for the operation of such organizations or the construction or maintenance of
206 animal shelters.

207 5. Tangible personal property withdrawn from inventory and donated to (i) an organization exempt
208 from taxation under § 501 (c) (3) of the Internal Revenue Code or (ii) the Commonwealth, any political
209 subdivision of the Commonwealth, or any school, agency or instrumentality thereof.

210 6. Tangible personal property purchased by an organization which is exempt from taxation under
211 § 501 (c) (3) of the Internal Revenue Code and which is organized primarily to distribute, during the
212 Christmas season, food, toys, and clothing to persons in financial need, provided such tangible personal
213 property is distributed at no cost to financially needy persons.

214 7. Tangible personal property, including food and food products, purchased for use or consumption
215 by a residential youth shelter organization exempt from taxation under § 501 (c) (3) of the Internal
216 Revenue Code, provided such organization is organized exclusively for maintaining and operating group
217 homes for the shelter and care of abused and neglected children in the Commonwealth on a long-term or
218 short-term basis.

219 8. Tangible personal property purchased for use or consumption by an organization exempt from
220 taxation under § 501 (c) (3) of the Internal Revenue Code and organized exclusively for the purpose of
221 providing education, training, services, and assistance in independent living to foster care children and
222 youth without families.

223 9. Tangible personal property for use or consumption by, sold by or donated to a food bank or
224 organization exempt from taxation pursuant to § 501 (c) (3) of the Internal Revenue Code and organized
225 exclusively for the distribution of foods to infants, the ill, or the needy; the exemptions shall apply to
226 each transaction in the chain of commerce from manufacture to final disposition, provided that such
227 food bank or organization is not conducted for profit.

228 10. Tangible personal property for use or consumption by a licensed nonprofit adult care residence as
229 defined in § 63.1-172 or a licensed nonprofit adult day care center as defined in § 63.1-194.1.

230 11. From July 1, 1989, through June 30, ~~1994~~ 1998, tangible personal property purchased for use or
231 consumption by or sold by a nonstock, nonprofit charitable organization, exempt from taxation under
232 § 501 (c) (3) of the Internal Revenue Code and from local real estate taxation, which is organized
233 exclusively to foster, sponsor and promote physical education, athletic programs and contests for youths
234 in the Commonwealth.

235 12. From July 1, 1989, through June 30, ~~1994~~ 1998, tangible personal property purchased for use or
236 consumption by a shelter for homeless individuals operated by an organization exempt from taxation
237 pursuant to § 501 (c) (3) of the Internal Revenue Code, or tangible personal property purchased for use
238 or consumption by a § 501 (c) (3) organization that is organized exclusively for the purpose of
239 providing food, shelter, clothing or other items to homeless persons in the Commonwealth.

240 13. From July 1, 1989, through June 30, ~~1994~~ 1998, tangible personal property purchased for use or
241 consumption by an organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code
242 and organized for the purpose of preparing and publishing a free travel guide for handicapped travelers.

243 14. From July 1, 1989, through June 30, ~~1994~~ 1998, tangible personal property purchased for use or
244 consumption, or to be sold at retail, by any nonsectarian youth organization exempt from taxation under

245 § 501 (c) (3) of the Internal Revenue Code which is organized for the purposes of the character
246 development and citizenship training of its members using the methods now in common use by Girl
247 Scout or Boy Scout organizations in Virginia.

248 15. From July 1, 1990, through June 30, ~~1994~~ 1998, tangible personal property purchased for use or
249 consumption by a nonprofit organization which under contract with a municipality operates Head Start
250 programs, extended day care programs, and a shelter for runaways.

251 16. From July 1, 1990, through June 30, ~~1994~~ 1998, tangible personal property purchased for use or
252 consumption by a nonstock, nonprofit charitable corporation exempt from taxation under § 501 (c) (3) of
253 the Internal Revenue Code and from local property taxes and organized and operated to offer social
254 services, including, but not limited to, aid or assistance to travelers who, for financial or other reasons,
255 find themselves stranded or otherwise in distress and in need of temporary assistance (traveler's aid);
256 family life education; assistance to persons interested in the adoption of children or acting as foster care
257 parents; counseling to persons in financial need or distress and the provision of services related thereto;
258 counseling for individuals living with persons afflicted with mental health problems or the mentally
259 retarded, as well as providing services directly to the mentally ill or mentally retarded; and related social
260 welfare activities.

261 17. From July 1, 1990, through June 30, ~~1994~~ 1998, tangible personal property purchased for use or
262 consumption by a nonstock, nonprofit charitable corporation exempt from taxation under § 501 (c) (3) of
263 the Internal Revenue Code and organized and operated to offer social services, including, but not limited
264 to, transitional housing for homeless individuals, employment counseling, placement and referral services
265 to persons in financial need, health-related assistance, child care for children whose parents are either
266 employed or enrolled in job training programs, emergency assistance (including the provision of food) to
267 persons in financial need who may face eviction or termination of utility services, and related social
268 welfare activities.

269 18. From July 1, 1990, through June 30, ~~1994~~ 1998, tangible personal property purchased for use or
270 consumption by a nonprofit organization exempt from taxation pursuant to § 501 (c) (3) of the Internal
271 Revenue Code and which provides equipment, furniture, motor vehicles, and other types of tangible
272 personal property to assist mentally retarded or mentally ill citizens of the Commonwealth.

273 19. From July 1, 1991, through June 30, ~~1994~~ 1998, tangible personal property purchased for use or
274 consumption by a community action agency as defined in § 2.1-588.

275 20. Effective retroactive to January 1, 1984, and through June 30, ~~1994~~ 1998, tangible personal
276 property for use or consumption, or further distribution, or sold by an organization exempt from taxation
277 under § 501 (c) (3) of the Internal Revenue Code and which is organized and operated exclusively for
278 the purposes of providing education, training, certification in emergency cardiac care, research, and other
279 related services to reduce disability and death from cardiovascular diseases and stroke.

280 21. Effective retroactive to January 1, 1984, and through June 30, ~~1994~~ 1998, tangible personal
281 property for use or consumption, or further distribution, or sold by an organization exempt from taxation
282 under § 501 (c) (3) of the Internal Revenue Code and which is organized and operated exclusively for
283 the purpose of eliminating all lung disease, including asthma, emphysema, lung cancer and pneumonia,
284 through medical research, public education focusing on disease prevention and education, patient
285 education including information on coping with lung disease, smoking and air pollution prevention, and
286 professional education and training.

287 22. Effective retroactive to January 1, 1984, and through June 30, ~~1994~~ 1998, tangible personal
288 property for use or consumption, or further distribution, or sold by a statewide organization exempt from
289 taxation under § 501 (c) (3) of the Internal Revenue Code and which is organized and operated
290 exclusively for the purpose of eliminating diabetes through medical research, public education focusing
291 on disease prevention and education, patient education including information on coping with diabetes,
292 and professional education and training.

293 23. Effective retroactive to January 1, 1984, and through June 30, ~~1994~~ 1998, tangible personal
294 property for use or consumption, or further distribution, or sold by an organization exempt from taxation
295 under § 501 (c) (3) of the Internal Revenue Code which is organized exclusively for the purpose of
296 eliminating cancer as a major health problem by preventing cancer, saving lives from cancer, and
297 diminishing suffering from cancer through research, education and service.

298 24. From July 1, 1991, through June 30, ~~1994~~ 1998, tangible personal property purchased for use or
299 consumption by a nonprofit organization exempt from taxation under § 501 (c) (3) of the Internal
300 Revenue Code and organized exclusively for the purpose of promoting and supporting conservation and
301 environmental issues throughout the Commonwealth by encouraging the protection and restoration of
302 waters, wildlife and land; safeguarding the public health by eliminating pollution; nurturing and
303 improving wildlife stocks; promoting the highest standards of sportsmanship and strengthening
304 farmer-sportsmen understanding; and performing other environmental services.

305 25. From July 1, 1991, through June 30, ~~1994~~ 1998, tangible personal property purchased for use or

306 consumption by a nonprofit charitable organization which is exempt from taxation under § 501 (c) (3) of
307 the Internal Revenue Code and which is organized exclusively to provide immediate and affordable
308 counseling, and regularly scheduled workshops to address the psychological, educational, and
309 professional concerns of women and their families.

310 26. From July 1, 1991, through June 30, ~~1994~~ 1998, tangible personal property purchased for use or
311 consumption by an organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code
312 and which is organized exclusively to advance the moral character and to promote sportsmanship, team
313 spirit, fair play, honesty, and patriotism among youth by providing and supervising clean and wholesome
314 activities for the youth in Appomattox County who participate in its programs.

315 27. From July 1, 1991, through June 30, ~~1994~~ 1998, tangible personal property purchased and sold
316 by a nonprofit organization exempt from taxation under § 501 (c) (3) or (4) of the Internal Revenue
317 Code, organized exclusively to provide aid and assistance to (i) the blind or visually impaired or
318 programs devoted to the prevention of the loss of eyesight; (ii) the deaf or hearing impaired; (iii) drug
319 abuse and drug awareness programs; (iv) diabetes and diabetes detection; and (v) cultural and
320 educational opportunities for the musically talented boys and girls of the Commonwealth, for use in
321 fund-raising activities, provided the net proceeds (gross receipts less expenses) from such sales are
322 contributed directly to or used to fund the charitable purposes for which the organization is organized.

323 28. From July 1, 1991, through June 30, ~~1994~~ 1998, tangible personal property purchased for use or
324 consumption in the performance of emergency services by Radio Emergency Associated
325 Communications Teams which are nonprofit organizations that operate and maintain public service
326 communications and provide emergency services to motorists and their local communities.

327 § 58.1-609.9. Nonprofit cultural organization exemptions.

328 The tax imposed by this chapter or pursuant to the authority granted in §§ 58.1-605 and 58.1-606
329 shall not apply to the following:

330 1. Historical documents, maps, rare books and manuscripts acquired for use or consumption by a
331 nonprofit state historical society, exempt from taxation under § 501 (c) (3) of the Internal Revenue
332 Code, which has a research library, a museum, and an educational department, all open to the public.

333 2. Tangible personal property purchased for use or consumption by (i) a nonprofit museum of fine
334 arts which is located on property owned by a city in Virginia and which receives more than one-half its
335 operating budget from appropriations by the city or (ii) a nonprofit regional science-technology museum.

336 3. Tangible personal property purchased for the use or consumption of a nonstock corporation,
337 exempt from taxation under § 501 (c) (3) of the Internal Revenue Code, whose principal activity is
338 conducted on real property owned by any city in the Commonwealth, organized exclusively for the
339 purpose of operating, managing, promoting and improving a public park and museum for recreational
340 and educational purposes.

341 4. Tangible personal property purchased for charitable or educational purposes by an organization
342 exempt under § 501 (c) (3) of the Internal Revenue Code and organized exclusively (i) to care for the
343 spiritual needs of American Indians, (ii) to communicate to the non-Indian the values, customs,
344 philosophy and special needs of the American Indian, (iii) to meet the urgent needs of American Indians
345 through nationwide charitable distribution programs, and (iv) to encourage awareness of American
346 Indian arts, crafts and customs provided such property is distributed by the organization through its
347 nationwide charitable distribution program.

348 5. From July 1, 1989, through June 30, ~~1994~~ 1999, tangible personal property purchased for use or
349 consumption by a nonprofit foundation exempt from taxation under § 501 (c) (3) of the Internal
350 Revenue Code and organized for the purpose of promoting a permanent memorial to a former Chief
351 Justice of the Supreme Court of the United States.

352 6. From July 1, 1989, through June 30, ~~1994~~ 1999, tangible personal property purchased for use or
353 consumption by a nonprofit museum exempt from taxation under § 501 (c) (3) of the Internal Revenue
354 Code and operating for the purpose of commemorating and preserving in a central repository the culture
355 and history of black people in Virginia through a collection of memoirs, artifacts, displays, exhibits and
356 other related historical data.

357 7. From July 1, 1989, through June 30, ~~1994~~ 1999, tangible personal property purchased for use or
358 consumption by a nonstock, nonprofit organization which (i) is exempt from taxation under § 501 (c) (3)
359 of the Internal Revenue Code, (ii) operates exclusively for educational and charitable purposes to
360 promote the study, performance and public awareness of music by presenting performances of live music
361 to youths and family groups, (iii) receives funding annually from at least three local governments in
362 Virginia and from the Virginia Commission for the Arts, and (iv) charges no fees for children to attend
363 the musical performances.

364 8. From July 1, 1989, through June 30, ~~1994~~ 1999, tangible personal property purchased for use or
365 consumption by a nonprofit cultural organization, exempt from taxation under § 501 (c) (3) of the
366 Internal Revenue Code, which educates children about the arts, humanities and nature on a regular basis
367 through museum exhibits, classes and performances.

368 9. From July 1, 1989, through June 30, ~~1994~~ 1999, tangible personal property purchased for use or
369 consumption by a national and international, nonprofit, scientific, and educational organization, exempt
370 from taxation under § 501 (c) (3) of the Internal Revenue Code, whose resources are devoted to
371 preserving ecologically significant areas in order to safeguard rare or endangered species or critical
372 natural habitats.

373 10. Tangible personal property purchased for use or consumption by a nonstock, nonprofit
374 organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and organized
375 exclusively to provide a public park and botanical garden for the entertainment and recreation of the
376 citizens of the Commonwealth and to promote the advancement of botanical science through research
377 and education of science students.

378 11. From July 1, 1990, through June 30, ~~1994~~ 1999, tangible personal property purchased for use or
379 consumption by a nonprofit organization which is exempt from taxation pursuant to § 501 (c) (3) of the
380 Internal Revenue Code and which coordinates and promotes art in the Roanoke Valley.