

964716176

**HOUSE BILL NO. 59****AMENDMENT IN THE NATURE OF A SUBSTITUTE**(Proposed by the Senate Committee on Finance  
on February 27, 1996)

(Patron Prior to Substitute—Delegate Cranwell)

*A BILL to amend and reenact §§ 30-19.05, 30-19.1:3, 58.1-609.3, 58.1-609.4, 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 §§ 30-19.05, 30-19.1:3, 58.1-609.3, 58.1-609.4, 58.1-609.7, 58.1-609.8, and 58.1-609.9 of the Code of Virginia are amended and reenacted as follows:**

§ 30-19.05. Legislative consideration of exemptions from the retail sales and use tax.

A. When any legislation involving an exemption or exclusion from the retail sales and use tax pursuant to Chapter 6 (§ 58.1-600 et seq.) of Title 58.1 is expected to be submitted to the General Assembly during its next regular session *convened in an even-numbered year*, the patron shall submit to the Department of Taxation by November 1 the following information:

1. Estimate of state and local revenues which will be foregone as a direct result of the exemption;
2. Beneficiaries of the exemption;
3. Direct or indirect local, state or federal government assistance received by the person seeking exemption;
4. The extent to which the person, property, service or industry is exempt from the retail sales and use tax in other states;
5. Any external statutory, constitutional or judicial mandates in favor of the exemption;
6. Other state taxes to which the person, property, service or industry is subject;
7. Similar taxpayers who are not entitled to a retail sales and use tax exemption; and
8. Other criteria, facts or circumstances which may be relevant to the request for exemption.

B. In addition, organizations seeking an exemption under the categories of educational (§ 58.1-609.4), medical-related (§ 58.1-609.7), civic and community service (§ 58.1-609.8), and cultural (§ 58.1-609.9) shall submit the following information:

1. Exemption from federal income taxation under either § 501 (c) (3) or § 501 (c) (4) of the Internal Revenue Code, as evidenced by a ruling or other such documentation;
2. The charitable purpose or purposes for which the entity is organized and operated, and the charitable functions and services it exists to deliver, provided to Virginia citizens, along with an explanation of such services;
3. Proof that no more than one-third of the organization's gross annual revenue, under generally accepted accounting principles, is spent on general administration and fundraising;
4. The location of the organization's financial records available for public inspection and certification that such records are true, accurate, and complete. Salaries, including all benefits, of the five most highly compensated employees shall be specifically disclosed. Organizations whose gross annual revenue is \$250,000 or greater shall be subject to an annual financial audit performed by an independent certified public accountant. Such audit report or reports shall be attached to the organization's application for tax exempt status;
5. Proof of compliance with Chapter 5 (§ 57-48 et seq.) of Title 57 of the Code of Virginia from organizations subject to it;

6. A volunteer board of directors with names and addresses provided.

Unless the General Assembly has enacted an exemption category or classification without regard to an organization's compliance with the above six items, requirements of item 3 constitute a continuing obligation and condition for maintaining tax exempt status, and the failure to do so may constitute grounds for the revocation of such status. Under circumstances evidencing a willful disregard or misuse of such tax exempt status, revocation back to the date of noncompliance, subject to the applicable statute of limitations, may be the appropriate sanction. No such retroactive revocation shall be implemented unless the Tax Commissioner has first utilized the procedure prescribed in § 58.1-623.1 A.

The Department of Taxation shall issue a preliminary determination, by January 5 prior to the *regular session convened in an even-numbered year* in which the exemption is sought, that the organization has furnished all of the information required by this section. If such information is incomplete, the Department shall explain the nature of the deficiencies.

C. Nothing contained in subsection A shall prevent the enactment of an exemption without receipt of the required information when the legislation is specifically requested by the Governor, or is otherwise considered to be of such a nature that the chairman of the committee determines that the information is not required.

60 D. The Secretary of Finance shall investigate and analyze the fiscal, economic and policy impact of  
 61 each exemption category set out in §§ 58.1-609.1 through 58.1-609.10. The Secretary shall report the  
 62 findings to the House and Senate Finance Committees each year by December 1, and shall report on  
 63 two exemption categories each year and every five years thereafter, beginning with the 1990 Session of  
 64 the General Assembly according to the following schedule:

65	Category	Year
66	§ 58.1-609.1. Government and Commodities	1990
67	§ 58.1-609.2. Agricultural	1990
68	§ 58.1-609.3. Commercial and Industrial	1991
69	§ 58.1-609.4. Educational	1991
70	§ 58.1-609.5. Services	1992
71	§ 58.1-609.6. Media Related	1992
72	§ 58.1-609.7. Medical Related	1993
73	§ 58.1-609.8. Civic and Community Service	1993
74	§ 58.1-609.9. Cultural	1994
75	§ 58.1-609.10. Miscellaneous	1994

76  
 77 No exemption category shall be studied under the provisions of this subsection more frequently than  
 78 once every five years. The information required in subsections A and B shall be updated and submitted  
 79 to the Department of Taxation by the organizations being studied every five years. Such information  
 80 shall be due by July 1 prior to the December 1 deadline when the Secretary reports his findings to the  
 81 House and Senate Finance Committees.

82 E. For purposes of this section, the Department of Taxation and the Department of Agriculture and  
 83 Consumer Services shall be allowed to share information when necessary to supplement the information  
 84 required.

85 § 30-19.1:3. Limiting time for introduction and consideration of retail sales and use tax exemption  
 86 bills.

87 A. Any bill providing for a new retail sales and use tax exemption shall be introduced for  
 88 consideration by the General Assembly no later than the first calendar day of any *regular* session of the  
 89 General Assembly *convened in an even-numbered year*, unless requested by the Governor. Any bill  
 90 extending the expiration date or delaying the effective date of any exemption shall not be covered by  
 91 this subsection.

92 B. No bill providing for a retail sales and use tax exemption shall be drafted or otherwise prepared  
 93 by the Division of Legislative Services unless the drafting request is accompanied by the Department of  
 94 Taxation's preliminary determination as provided by subsection B of § 30-19.05.

95 C. *Any bill providing for a retail sales and use tax exemption shall be considered by the General*  
 96 *Assembly only in regular sessions convened in even-numbered years.*

97 § 58.1-609.3. Commercial and industrial exemptions.

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

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

104 2. (i) Industrial materials for future processing, manufacturing, refining, or conversion into articles of  
 105 tangible personal property for resale where such industrial materials either enter into the production of or  
 106 become a component part of the finished product; (ii) industrial materials that are coated upon or  
 107 impregnated into the product at any stage of its being processed, manufactured, refined, or converted for  
 108 resale; (iii) machinery or tools or repair parts therefor or replacements thereof, fuel, power, energy, or  
 109 supplies, used directly in processing, manufacturing, refining, mining or converting products for sale or  
 110 resale; (iv) materials, containers, labels, sacks, cans, boxes, drums or bags for future use for packaging  
 111 tangible personal property for shipment or sale; or (v) equipment, printing or supplies used directly to  
 112 produce a publication described in subdivision 3 of § 58.1-609.6 whether it is ultimately sold at retail or  
 113 for resale or distribution at no cost. Machinery, tools and equipment, or repair parts therefor or  
 114 replacements thereof, shall be exempt if the preponderance of their use is directly in processing,  
 115 manufacturing, refining, mining or converting products for sale or resale. The provisions of this  
 116 subsection do not apply to the drilling, extraction, refining, or processing of oil, gas, natural gas and  
 117 coalbed methane gas.

118 3. Tangible personal property sold or leased to (i) a public service corporation subject to a state  
 119 franchise or license tax upon gross receipts, (ii) a telecommunications company as defined in  
 120 § 58.1-400.1 or (iii) a telephone company chartered in the Commonwealth which is exclusively a local

mutual association and is not designated to accumulate profits for the benefit of, or to pay dividends to, the stockholders or members thereof, for use or consumption by such corporation, company, person or mutual association directly in the rendition of its public service; and tangible personal property sold or leased to a public service corporation engaged in business as a common carrier of property or passengers by motor vehicle or railway, for use or consumption by such common carrier directly in the rendition of its public service.

4. Ships or vessels, or repairs and alterations thereof, used or to be used exclusively or principally in interstate or foreign commerce; fuel and supplies for use or consumption aboard ships or vessels plying the high seas, either in intercoastal trade between ports in the Commonwealth and ports in other states of the United States or its territories or possessions, or in foreign commerce between ports in the Commonwealth and ports in foreign countries, when delivered directly to such ships or vessels; or tangible personal property used directly in the building, conversion or repair of the ships or vessels covered by this subdivision. *This exemption shall include dredges, their supporting equipment, attendant vessels, and fuel and supplies for use or consumption aboard such vessels, provided the dredges are used exclusively or principally in interstate or foreign commerce.*

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

6. Tangible personal property sold or leased to an airline operating in intrastate, interstate or foreign commerce as a common carrier providing scheduled air service on a continuing basis to one or more Virginia airports at least one day per week, for use or consumption by such airline directly in the rendition of its common carrier service.

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

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

9. (i) Certified pollution control equipment and facilities as defined in § 58.1-3660; and (ii) *Effective* *effective* retroactive to July 1, 1994, and through June 30, ~~1996~~2001, certified pollution control equipment and facilities as defined in § 58.1-3660 and which, in accordance with such section, ~~has~~*have* been certified by the Department of Mines, Minerals and Energy for coal, oil and gas production, including gas, natural gas, and coalbed methane gas.

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

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

12. From July 1, 1994, through June 30, ~~1996~~2001, raw materials, fuel, power, energy, supplies, machinery or tools or repair parts therefor or replacements thereof, used directly in the drilling, extraction, refining, or processing of natural gas or oil and the reclamation of the well area. For the purposes of this section, the term "natural gas" shall mean "gas," "natural gas," and "coalbed methane gas" as defined in § 45.1-361.1. For the purposes of this section, "drilling," "extraction," "refining," and "processing" shall include production, inspection, testing, dewatering, dehydration, or distillation of raw natural gas into a usable condition consistent with commercial practices, and the gathering and transportation of raw natural gas to a facility wherein the gas is converted into such a usable condition. Machinery, tools and equipment, or repair parts therefor or replacements thereof, shall be exempt if the preponderance of their use is directly in the drilling, extraction, refining, or processing of natural gas or oil for sale or resale, or in well area reclamation activities required by state or federal law.

§ 58.1-609.4. Educational 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. School lunches sold and served to pupils and employees of schools and subsidized by government; school textbooks sold by a local board or authorized agency thereof; and school textbooks sold for use by students attending a college or other institution of learning not conducted for profit, when sold (i) by such institution of learning or (ii) by any other dealer, when such textbooks have been certified by a department or instructor of such institution of learning as required textbooks for students attending courses at such institution.

2. Tangible personal property for use or consumption by a college or other institution of learning and tangible personal property for use or consumption by, sold by, or donated to a noncommercial educational telecommunications entity, said exemption to apply to each transaction in the chain of commerce from manufacture to final disposition, provided that such college, institution of learning, or telecommunications entity is not conducted for profit.

182 3. Tangible personal property purchased by an organization exempt from taxation under § 501 (c) (3)  
183 of the Internal Revenue Code and organized exclusively for the purpose of providing education, training  
184 and services to retarded citizens of the Commonwealth, provided that such property is used exclusively  
185 for the purpose set forth herein and that such organization receives more than fifty percent of its total  
186 funding from federal, state, or local governments.

187 4. Tangible personal property and services purchased by an educational institution doing business in  
188 the Commonwealth which (i) admits regularly enrolled high school and college students and (ii)  
189 provides a face-to-face educational experience in American government, a program which leads towards  
190 the successful completion of United States history, civics, and problems in democracy courses in high  
191 school, or which is acceptable for full credit towards an undergraduate or graduate level college degree,  
192 provided such institution is conducted not for profit.

193 5. Books and other reading materials for use by nonprofit organizations organized solely to distribute  
194 such books and reading materials to school-age children.

195 6. Tangible personal property purchased for use by a nonprofit, nonstock corporation which receives  
196 no financial aid from the Commonwealth or the federal government and is organized exclusively for the  
197 purpose of operating, at no charge to the pupils, a combination boarding and day school for the severely  
198 physically handicapped children and young adults of the Commonwealth.

199 7. Tangible personal property sold or leased to a foundation which exclusively provides either  
200 training and education of any type or duration for employees of governmental law-enforcement and  
201 corrections agencies or education of the public in citizen cooperation with public authorities in crime  
202 prevention and solution, provided such foundation is conducted not for profit.

203 8. Tangible personal property purchased for use, consumption, or sale at retail by an elementary or  
204 secondary school conducted not for profit, or Parent Teacher Association or other group associated with  
205 an elementary or secondary school conducted not for profit for use in fund-raising activities, the net  
206 proceeds (gross receipts less direct expenses) of which are contributed directly to the school or used to  
207 purchase certified school equipment, and certified school equipment purchased by such groups for  
208 contribution directly to the school. For the purposes of this subdivision, "certified school equipment"  
209 means that equipment for which the Parent Teacher Association or other group has received certification  
210 from the school that it will accept a donation of equipment. The certification provided by the school  
211 shall be in accordance with regulations promulgated by the Tax Commissioner. Notwithstanding the  
212 other provisions of this subdivision, the tax shall not apply to the sale of class rings, school  
213 photographs, and other fund-raising programs from which an elementary or secondary school conducted  
214 not for profit receives a commission or the net proceeds after the payment of vendors and other direct  
215 expenses.

216 9. a. From July 1, 1989, through June 30, ~~1996~~2001, tangible personal property purchased for use or  
217 consumption by an organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code  
218 and organized primarily for the purpose of operating a state-licensed day-care center or a preschool that  
219 hires only certified public school teachers and which has a regularly prescribed curriculum.

220 b. From July 1, 1990, through June 30, ~~1996~~2001, tangible personal property purchased for use or  
221 consumption by an organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code  
222 and organized primarily for the purpose of operating a state-licensed day-care center or a preschool that  
223 hires only certified public school teachers or teachers who are college graduates holding a degree from  
224 an accredited four-year institution of higher education and certified by an organization recognized by the  
225 U.S. Department of Education or by some other nationally recognized organization, and which has a  
226 regularly prescribed curriculum.

227 10. From July 1, 1989, through June 30, ~~1996~~2001, personal property purchased for use or  
228 consumption by a private, nonprofit corporation exempt from taxation under § 501 (c) (3) of the Internal  
229 Revenue Code, which operates a county public library, and such library is also used as a recreational  
230 center for county residents.

231 11. From July 1, 1989, through June 30, ~~1996~~2001, tangible personal property purchased for use or  
232 consumption by an organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code  
233 and organized primarily for the purpose of operating a public library.

234 12. From July 1, 1990, through June 30, ~~1996~~2001, tangible personal property and services  
235 purchased for use by an organization exempt from taxation under § 501 (c) (3) of the Internal Revenue  
236 Code, which is organized and operated primarily for the purpose of encouraging participation in the free  
237 enterprise system through information programs directed to secondary schools and college students,  
238 college scholarship programs, and recognition of achievement in the American free enterprise system.

239 13. From July 1, 1990, through June 30, ~~1996~~2001, tangible personal property purchased for use or  
240 consumption by a nonprofit organization exempt from taxation under § 501 (c) (3) of the Internal  
241 Revenue Code and organized primarily for the purpose of operating an arts center which offers and  
242 sponsors a year-round schedule of art education classes for adults and children, a continuous series of  
243 exhibits focusing on twentieth century art, and a wide range of seminars for the public at no or nominal

charge.

14. From July 1, 1991, through June 30, 1996, tangible personal property purchased for use or consumption by a nonprofit volunteer organization which is exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and which is organized and operated exclusively for the purpose of enhancing education by assisting a city public library with its physical and service needs.

15. (i) From July 1, 1991, through June 30, 1996, tangible personal property purchased for use or consumption by a nonprofit organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and organized exclusively to combat illiteracy by tutoring and training adults and by increasing community awareness of the illiteracy problem within the metropolitan Richmond area.

(ii) From July 1, 1995, through June 30, 1996, tangible personal property purchased for use or consumption by a nonprofit organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and organized exclusively to combat illiteracy by tutoring and training adults and by increasing community awareness of the illiteracy problem within the Roanoke Valley area.

16. From July 1, 1995, through June 30, 1996, tangible personal property purchased for use or consumption by a nonprofit volunteer organization which is exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and which is organized exclusively for the purpose of raising funds for grant aid to any state, county or municipal library open to the public within the boundaries of the Eighth Planning District established pursuant to § 15.1-1403.

17. From July 1, 1995, through June 30, 1996, tangible personal property purchased for use or consumption by a nonprofit organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and organized to provide educational and recreational services for at-risk youth and which maintains a partnership with a magnet school within the boundaries of the Twenty-third Planning District established pursuant to § 15.1-1403.

18. From July 1, 1995, through June 30, 1996, tangible personal property purchased for use or consumption by a nonprofit organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and organized to provide specialized information and referral services, education programs and advocacy on behalf of deaf and hard-of-hearing persons within the boundaries of the Eighth Planning District established pursuant to § 15.1-1403.

19. From July 1, 1995, through June 30, 1996, tangible personal property purchased for use or consumption by a nonprofit research, educational, and communications organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and organized exclusively to promote highway safety.

20. From July 1, 1996, through June 30, 2001, tangible personal property purchased for use or consumption by a nonprofit organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and organized as a consortium of not less than forty private, historically black colleges and universities for the purposes of raising funds, providing program services, and offering technical services to support its member colleges and universities and their students.

§ 58.1-609.7. Medical-related 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. Medicines, drugs, hypodermic syringes, artificial eyes, contact lenses, eyeglasses and hearing aids dispensed by or sold on prescriptions or work orders of licensed physicians, dentists, optometrists, ophthalmologists, opticians, audiologists, hearing aid dealers and fitters, nurse practitioners, physicians' assistants, and veterinarians; and controlled drugs purchased for use by a licensed physician in his professional practice, regardless of whether such practice is organized as a sole proprietorship, partnership or professional corporation, or any other type of corporation in which the shareholders and operators are all licensed physicians engaged in the practice of medicine, but excluding hospitals, nursing homes, clinics, and similar corporations not otherwise exempt under this section. Any veterinarian dispensing or selling medicines or drugs on prescription shall be deemed to be the user or consumer of all such medicines and drugs.

2. Wheelchairs and parts therefor, braces, crutches, prosthetic devices, orthopedic appliances, catheters, urinary accessories, other durable medical equipment and devices, and related parts and supplies specifically designed for those products; and insulin and insulin syringes, and equipment, devices or chemical reagents which may be used by a diabetic to test or monitor blood or urine, when such items or parts are purchased by or on behalf of an individual for use by such individual. Durable medical equipment is equipment which (i) can withstand repeated use, (ii) is primarily and customarily used to serve a medical purpose, (iii) generally is not useful to a person in the absence of illness or injury, and (iv) is appropriate for use in the home.

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

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

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

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

311 7. Tangible nonmedical personal property purchased by a nonprofit organization organized  
312 exclusively for the purpose of providing housing and ancillary assistance for individuals suffering from  
313 leukemia or oncological diseases, for other ill individuals, and for the families of such individuals during  
314 periods of medical treatment of such individuals at any hospital in the Commonwealth.

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

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

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

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

330 12. Tangible personal property purchased for use or consumption by any nonprofit hospital  
331 cooperative or nonprofit hospital corporation organized and operated for the sole purpose of providing  
332 services exclusively to nonprofit hospitals. This exemption shall not apply to any nonprofit hospital,  
333 cooperative or nonprofit hospital corporation providing services of any kind or to any extent to other  
334 than nonprofit hospitals.

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

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

342 15. Beginning July 1, 1996, any nonprescription drugs and proprietary medicines purchased for the  
343 cure, mitigation, treatment, or prevention of disease in human beings. The terms "nonprescription drugs"  
344 and "proprietary medicines" shall be defined pursuant to regulations promulgated by the Department of  
345 Taxation. The exemption authorized in this subdivision shall not apply to cosmetics.

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

350 17. From July 1, 1995, through June 30, 1998, tangible personal property purchased for use or  
351 consumption by a nonprofit organization exempt from taxation under § 501 (c) (3) of the Internal  
352 Revenue Code and organized exclusively for educational, scientific, and charitable purposes relating to  
353 the promotion of health within the boundaries of the Eighth Planning District established pursuant to  
354 § 15.1-1403, including (i) operating a medical clinic which shall provide services without charge or shall  
355 charge less than prevailing rates to those who are unable to obtain health care through conventional  
356 means and (ii) educating and providing information to the general public regarding the treatment and  
357 prevention of those conditions which commonly affect the poor.

358 18. From July 1, 1995, through June 30, 1998, equipment and supplies purchased for use or  
359 consumption by a nonprofit charitable organization which is exempt from taxation under § 501 (c) (3) of  
360 the Internal Revenue Code and which is organized and operated exclusively for the purpose of providing  
361 charitable, long-distance, advanced life-support, air ambulance services for low-income medical patients  
362 in the Commonwealth.

363 19. From July 1, 1995, through June 30, 1998, tangible personal property purchased for use or  
364 consumption by a nonprofit organization exempt from taxation under § 501 (c) (3) of the Internal  
365 Revenue Code, organized exclusively to provide medical and psychological evaluations and direct  
366 therapeutic and rehabilitative medical and psychological treatment and services to child-abuse victims

within the boundaries of the Twenty-third Planning District established pursuant to § 15.1-1403.

20. Through June 30, 1998, medical products and supplies, which are otherwise taxable, such as bandages, gauze dressings, incontinence products and wound-care products, when purchased by a Medicaid recipient through a Department of Medical Assistance Services provider agreement.

21. From July 1, 1995, through June 30, 1998, tangible personal property purchased for use or consumption by an organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and established to provide a comprehensive network of medical and psycho-social treatment to adults, on both an inpatient and outpatient basis, or to adolescent patients in a residential setting, within the boundaries of the Fifteenth Planning District established pursuant to § 15.1-1403.

22. *From July 1, 1996, through June 30, 1998, tangible personal property purchased for use or consumption by an organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and organized and operated primarily to benefit a medical college affiliated with a state university by providing support services to and conducting the professional practices of faculty members associated with such medical college.*

§ 58.1-609.8. Nonprofit civic and community service 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. Tangible personal property purchased for use or consumption by or sold by a volunteer fire department or volunteer rescue squad, an auxiliary or junior organization of such department or squad not conducted for profit, a nonprofit association of which the regular membership is composed of such volunteer fire departments or volunteer rescue squads, and construction materials to be incorporated into realty when sold to and used by such organization, rather than a contractor, in construction, maintenance, or repair of any property of such organization.

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

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

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

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

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

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

8. Tangible personal property purchased for use or consumption by an organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and organized exclusively for the purpose of providing education, training, services, and assistance in independent living to foster care children and

428 youth without families.

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

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

436 11. From July 1, 1989, through June 30, 1998, tangible personal property purchased for use or  
437 consumption by or sold by a nonstock, nonprofit charitable organization, exempt from taxation under  
438 § 501 (c) (3) of the Internal Revenue Code and from local real estate taxation, which is organized  
439 exclusively to foster, sponsor and promote physical education, athletic programs and contests for youths  
440 in the Commonwealth.

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

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

449 14. From July 1, 1989, through June 30, 1998, tangible personal property purchased for use or  
450 consumption, or to be sold at retail, by any nonsectarian youth organization exempt from taxation under  
451 § 501 (c) (3) of the Internal Revenue Code which is organized for the purposes of the character  
452 development and citizenship training of its members using the methods now in common use by Girl  
453 Scout or Boy Scout organizations in Virginia.

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

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

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

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

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

481 20. Effective retroactive to January 1, 1984, and through June 30, 1998, tangible personal property  
482 for use or consumption, or further distribution, or sold by an organization exempt from taxation under  
483 § 501 (c) (3) of the Internal Revenue Code and which is organized and operated exclusively for the  
484 purposes of providing education, training, certification in emergency cardiac care, research, and other  
485 related services to reduce disability and death from cardiovascular diseases and stroke.

486 21. Effective retroactive to January 1, 1984, and through June 30, 1998, tangible personal property  
487 for use or consumption, or further distribution, or sold by an organization exempt from taxation under  
488 § 501 (c) (3) of the Internal Revenue Code and which is organized and operated exclusively for the  
489 purpose of eliminating all lung disease, including asthma, emphysema, lung cancer and pneumonia,



through medical research, public education focusing on disease prevention and education, patient education including information on coping with lung disease, smoking and air pollution prevention, and professional education and training.

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

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

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

25. From July 1, 1991, through June 30, 1998, tangible personal property purchased for use or consumption by a nonprofit charitable organization which is exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and which is organized exclusively to provide immediate and affordable counseling, and regularly scheduled workshops to address the psychological, educational, and professional concerns of women and their families.

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

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

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

29. From July 1, 1995, through June 30, 1998, tangible personal property purchased for use or consumption by a nonprofit organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code, organized for the purpose of providing child-care scholarships for needy families with proceeds from the sale of donated clothing, accessories, and children's toys, within the boundaries of the Tenth Planning District established pursuant to § 15.1-1403.

30. From July 1, 1995, through June 30, 1998, tangible personal property purchased for use or consumption by a nonprofit organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code, organized exclusively to provide aid and assistance to any person within the boundaries of the Twenty-third Planning District established pursuant to § 15.1-1403 between age sixteen and sixty-five who has life-controlling problems with drugs, alcohol, or crime through the following programs: (i) outreach and concerts at the prevention level; (ii) concerned counseling at the intervention level; and (iii) "in-house" treatment and care at the residential level.

31. From July 1, 1995, through June 30, 1998, tangible personal property sold by an organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and organized for the purpose of providing food packages at a reduced price through host organizations (i.e., churches, community centers, senior centers, medical centers, Headstart programs) to individuals who agree to perform community service.

32. From July 1, 1995, through June 30, 1998, tangible personal property purchased for use or

consumption by organizations exempt from taxation under § 501 (c) (3) of the Internal Revenue Code (i) which are local chapters of a nonprofit national volunteer organization with chapters in at least fifteen states that was founded in the Commonwealth prior to 1950 and is exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and (ii) whose purposes are to improve their communities through public works, fund raisers, and donations to other community groups.

33. From July 1, 1995, through June 30, 1998, tangible personal property purchased for use or consumption by a nonprofit family service organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and organized (i) to preserve, strengthen and promote healthy family life, to prevent individual and family breakdown, and to address other human service needs, (ii) to help solve the problems created by homelessness, substance abuse, dysfunctional families and cultural diversity through family and multicultural counseling, neighborhood development, college intern training, special foster care and housing services, (iii) to assist families in crisis, homeless youth and the elderly by providing a variety of social services such as services on behalf of children in their own homes, group programs for predelinquent and delinquent youths, individual and family counseling, family life education, and financial assistance and legal aid, or (iv) to provide services to families including professional counseling, home care aid, treatment for domestic violence, and casework services for older adults.

34. From July 1, 1995, through June 30, 1998, lodging and meals for athletes, volunteers, and staff paid by, and tangible personal property purchased for use or consumption by a nonprofit organization exempt from taxation under § 501 (c) (3) or (4) of the Internal Revenue Code and organized exclusively to provide year-round sports training and athletic competition in a variety of Olympic-type sports for persons in Virginia with mental retardation, age five and older, at no cost to the athlete.

35. From July 1, 1995, through June 30, 1998, tangible personal property purchased for use or consumption by an organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and organized and operated exclusively to foster, sponsor and promote sportsmanship, recreation, and health through athletic programs and contests for youths within the boundaries of the Fifteenth Planning District established pursuant to § 15.1-1403.

36. From July 1, 1995, through June 30, 1998, tangible personal property purchased for use or consumption by a nonprofit organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and organized to provide individuals within the boundaries of the Twenty-third Planning District established pursuant to § 15.1-1403 who have disabling conditions with access to, support and assistance in the use of, and information concerning state-of-the-art technology in order to maximize their potential independence in their community; to maintain a computer technology information and lending library; to offer information and assistance on the use of technology in transition planning and independent living; and to conduct workshops and presentations on the uses of computer-related technology.

37. From July 1, 1995, through June 30, 1998, tangible personal property purchased for use or consumption by an organization which is exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and which is organized exclusively to provide a voice in court for abused and neglected children through volunteer court-appointed special advocates.

38. From July 1, 1995, through June 30, 1998, tangible personal property purchased for use or consumption by a nonprofit organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and organized to provide emergency food and supplies for a limited period of time to needy recipients within the boundaries of the Nineteenth Planning District established pursuant to § 15.1-1403.

39. From July 1, 1995 1996, through June 30, 1998, tangible personal property purchased for use or consumption by a nonprofit organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and organized exclusively to conduct annual fund-raising campaigns for the direct benefit of nonprofit member agencies within the boundaries of the Nineteenth Planning District established pursuant to § 15.1-1403.

40. From July 1, 1995, through June 30, 1998, food, food products, and services sold to residents under a Department of Housing and Urban Development-approved meal plan by a nonprofit organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and receiving federal grant assistance under the Department of Housing and Urban Development Section 8 programs.

41. From July 1, 1995, through June 30, 1998, tangible personal property purchased for use or consumption by a nonprofit organization exempt from taxation under § 501 (c) (3) or (4) of the Internal Revenue Code and organized exclusively to provide a unique one-to-one relationship for at-risk children, ages five through eighteen, living in single-parent homes, by matching them with adult volunteers who provide them with support, guidance, and friendship while addressing their social, emotional, and academic needs.

42. From July 1, 1995, through June 30, 1998, tangible personal property purchased for use or consumption by any nonsectarian organization exempt from taxation under § 501 (c) (3) of the Internal

Revenue Code which is organized exclusively for the purpose of providing education, training, services, assistance, and support to elementary and secondary educational institutions, using the methods now in common use by parents and teachers organizations throughout the Commonwealth.

43. From July 1, 1995, through June 30, 1998, tangible personal property purchased for use or consumption by an organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and which is organized exclusively to promote athletic programs, clinics, and organized sporting events and to provide opportunities for education, physical education, and the practice of sportsmanship through these programs to improve the quality of life for residents of the Commonwealth who are dependent on the use of wheelchairs for mobility.

44. From July 1, 1995, through June 30, 1998, tangible personal property purchased for use or consumption by a nonprofit organization exempt from taxation under § 501 (c) (3) or (4) of the Internal Revenue Code and organized exclusively to provide independent living skills training, peer counseling, advocacy, information and referral, and other independent living services to individuals with physical and mental disabilities in Virginia, including the provision of (i) direct services to individuals with severe disabilities which result in a greater level of independence and community integration and (ii) services in the community which result in greater awareness of disability issues, physical and programmatic accessibility, and systems change.

45. From July 1, 1995, through June 30, 1998, tangible personal property purchased for use or consumption by a nonprofit organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code which is organized exclusively to provide a nondenominational religious outreach program by lending or donating written material and audio or video tapes, at no cost to the recipient.

46. From July 1, 1995, through June 30, 1998, tangible personal property purchased for use or consumption by an organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and established to promote character development and citizenship training for youth within the boundaries of the Fifth Planning District established pursuant to § 15.1-1403 by providing a supervised physical education program through softball teams and leagues.

47. From July 1, 1995, through June 30, 1998, tangible personal property purchased for use or consumption by a nonprofit organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and organized to provide needy individuals with financial assistance for rent and mortgage payments, utilities payments, medical bills, and some home repair within the boundaries of the Eighteenth Planning District established pursuant to § 15.1-1403.

48. From July 1, 1995, through June 30, 1998, tangible personal property purchased for use or consumption by a nonprofit organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and organized to repair or rehabilitate homes owned and occupied by low-income persons who could not otherwise afford to finance the rehabilitation or repair of their homes within the boundaries of the Eighteenth Planning District established pursuant to § 15.1-1403.

49. From July 1, 1995, through June 30, 1998, tangible personal property purchased for use or consumption, or further distribution, by an organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and which is organized and operated exclusively for the purposes of (i) preparing students for agricultural careers in marketing, processing, communications, education, horticulture, production, natural resources, forestry and agribusiness, including plant and animal sciences, (ii) applying such knowledge and skills in a supervised setting either at home or a part-time workplace, and (iii) providing opportunities to students on the national, state, and local levels to improve their leadership abilities and test their agricultural skills.

50. From July 1, 1995, through June 30, 1998, tangible personal property and services purchased for an annual fundraising reception by a nonprofit organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and organized to provide funds for the benefit of various charities, including but not limited to the Cystic Fibrosis Foundation, The Ronald McDonald House, The Leukemia Society, the Don Shula Foundation, Inc., and Children's National Medical Center's National SAFE KIDS Campaign.

51. From July 1, 1995, through June 30, 1998, tangible personal property purchased for use or consumption by a nonprofit charitable organization which is exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and which is organized and operated exclusively for the purpose of providing assistance to individuals suffering from multiple sclerosis in the Commonwealth and to the families of such individuals, and for research relating to the prevention and treatment of multiple sclerosis.

52. From July 1, 1995, through June 30, 1998, tangible personal property purchased for use or consumption by a nonprofit organization exempt from taxation pursuant to § 501 (c) (3) of the Internal Revenue Code and located in a city having a population of no less than 66,000 and no greater than 67,000 which is organized exclusively to provide no more than one meal per day to the needy or underprivileged, provided such meals are distributed without cost.

53. From July 1, 1995, through June 30, 1998, tangible personal property purchased for use or

consumption by an organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and organized exclusively to advocate, plan, and develop programs and services within the boundaries of the Third Planning District established pursuant to § 15.1-1403 that help persons with disabilities reach their maximum level of personal independence by educating the public, promoting the needs and rights of persons with disabilities, and helping such persons attain their potential for independent living.

54. From July 1, 1995, through June 30, 1998, food and other tangible personal property purchased in connection with program activities by an organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and organized exclusively for the purpose of operating and maintaining a summer recreational camp and related facilities for use by mentally handicapped citizens of the Commonwealth within the boundaries of the Eleventh Planning District established pursuant to § 15.1-1403.

55. Effective retroactive to January 1, 1995, through June 30, 1998, tangible personal property purchased for use or consumption by, or sold by, a nonprofit charitable organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and organized and operated primarily to restore, cultivate, and enhance wilderness lands and wildlife habitat, including water resources, within Virginia and to educate and foster good relations between all citizens of the Commonwealth regarding the restoration of damaged lands.

56. From July 1, 1995, through June 30, 1998, tangible personal property purchased for use or consumption by an organization which is exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and which is organized exclusively for the purpose of providing counseling, education, and supportive services on a community-wide basis to help solve family and personal problems within the boundaries of the Eleventh Planning District established pursuant to § 15.1-1403.

57. From July 1, 1995, through June 30, 1998, tangible personal property purchased for use or consumption by a nonprofit charitable organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and organized and operated primarily to offer to those in need, the following: to construct, develop, acquire, renovate, manage, maintain and operate low-income housing for persons of limited financial means, qualified housing for mentally and physically disabled persons, and qualified housing for elderly persons within the boundaries of the Eighth Planning District established pursuant to § 15.1-1403, all as provided under the Internal Revenue Code and interpretations thereof.

~~58. From July 1, 1995, through June 30, 1998, tangible personal property purchased for use or consumption by an organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and organized exclusively to conduct annual fund-raising campaigns for the direct benefit of nonprofit member agencies within the boundaries of the Seventh Planning District established pursuant to § 15.1-1403.~~

59. From July 1, 1995, through June 30, 1998, tangible personal property purchased for use or consumption by a nonprofit, nonstock corporation which is exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and which is organized under the laws of the Commonwealth primarily for the purpose of providing rehabilitation services, training, employment, referral services, and opportunities for personal growth to disabled and disadvantaged individuals within the boundaries of the Twenty-third Planning District established pursuant to § 15.1-1403, and providing to communities in such area consultation services as to the rights of the disabled and disadvantaged.

60. From July 1, 1995, through June 30, 1998, tangible personal property purchased for use or consumption by a corporation organized under the laws of the Commonwealth which is exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and which is organized exclusively for the purpose of providing low-income and moderate-income working families within the boundaries of the Twenty-third Planning District established pursuant to § 15.1-1403 with quality care for children through the sponsorship of (i) training, technical assistance, mentoring, and support services to the early childhood community; (ii) state-licensed, nationally accredited model early childhood centers; (iii) a U.S. Department of Agriculture Child Care and Adult Food Program for meals served to children by area home-based providers; and (iv) child-care referral programs.

~~61. From July 1, 1995, through June 30, 1998, tangible personal property purchased for use or consumption by a nonprofit, volunteer-staffed organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and organized for the exclusive purpose of supporting community action activities, including housing and fuel assistance, job counseling, youth service opportunities, and other community-oriented charitable activities within the boundaries of the Eighth Planning District established pursuant to § 15.1-1403.~~

62. From July 1, 1995, through June 30, 1998, tangible personal property purchased for use or consumption by an organization which is exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and which is organized exclusively for the purpose of providing counseling for individuals and families within the boundaries of the Twenty-first Planning District established pursuant to § 15.1-1403, including group counseling, family life education programs and workshops, consumer credit counseling, and employee assistance, but excluding problems related to chronic mental illness.

62. From July 1, 1995, through June 30, 1998, tangible personal property purchased for use or consumption by a nonprofit charitable organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and organized and operated within Virginia exclusively to develop and operate permanent housing and to provide supportive residential mental health services for homeless persons and other adult persons with serious and persistent mental illnesses, in accordance with § 231 of the National Housing Act, as amended, within the boundaries of the Eighth Planning District established pursuant to § 15.1-1403.

63. From July 1, 1995, through June 30, 1998, tangible personal property purchased for use or consumption by an organization which is exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and which is organized for the primary purpose of distributing food, clothing, medicines and other necessities of life to, and providing shelter for, needy persons in the United States and throughout the world.

64. From July 1, 1995, through June 30, 1998, tangible personal property purchased for use or consumption by an organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code which is organized exclusively for the care, support, and strengthening of children and families and provides certain services and programs, including, special education, individual and family counseling, conflict mediation, prenatal counseling, adoptive placements, post-adoption services, in-home services, therapeutic foster care, residential treatment, and independent living, within the boundaries of the Fifteenth Planning District established pursuant to § 15.1-1403.

65. From July 1, 1996, through June 30, 1998, tangible personal property purchased for use or consumption, or further distribution, or sold by a nonprofit corporation organized under the laws of the Commonwealth which is exempt from federal income taxation by participating in a group exemption awarded by the Internal Revenue Service to CONTACT USA, Inc., and operated for the purpose of conducting a 24-hour crisis intervention hotline service.

66. From July 1, 1996, through June 30, 1998, tangible personal property purchased for use or consumption, or further distribution, or sold by a nonprofit, nonstock corporation organized under the laws of the State of California which (i) is exempt from federal income taxation pursuant to § 501 (c) (3) of the Internal Revenue Code, (ii) is organized exclusively for the purpose of promoting the human development and education of low and moderate income people by providing them with marketable skill training and supportive services that contribute to economic self-sufficiency, (iii) offers counseling and other supportive services to its students, and (iv) utilizes open-entry and open-exit policies with no eligibility requirements for enrollment.

67. From July 1, 1996, through June 30, 1998, tangible personal property purchased for use or consumption by, and sold by, a nonprofit volunteer organization which is exempt from federal income taxation pursuant to § 501 (c) (3) of the Internal Revenue Code and is organized for the purpose of providing support services at no cost to Al-Anon family groups and to families and friends of alcoholics within the Commonwealth, including operating an information clearinghouse, staffing a volunteer telephone hotline, providing speakers and literature to promote public awareness of alcoholism, and coordinating Al-Anon public service activities for the general public, schools, hospitals, churches, the professional community, and industry.

68. From July 1, 1996, through June 30, 1998, tangible personal property purchased for use or consumption by an organization which is exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and which is organized for the exclusive purpose of operating a long-term residential drug and alcohol treatment program featuring drug and family counseling, twelve-step programs, academic education and religious development, for young men ages thirteen through seventeen.

69. From July 1, 1996, through June 30, 1998, tangible personal property purchased for use or consumption by a nonprofit corporation organized under the laws of the Commonwealth which is exempt from federal income taxation pursuant to § 501 (c) (3) of the Internal Revenue Code and is operated for the purpose of providing food, furniture, rent assistance, transportation, and day-care services to low-income families.

70. From July 1, 1996, through June 30, 1998, tangible personal property purchased for use or consumption by a nonprofit corporation which is exempt from federal income taxation pursuant to § 501 (c) (3) of the Internal Revenue Code and is operated for the purpose of operating a summer camp for disadvantaged children ages nine through twelve without charge to the attendees or their families.

71. From July 1, 1996, through June 30, 1998, tangible personal property purchased for use or consumption by a nonprofit corporation which is exempt from taxation pursuant to § 501 (c) (3) of the Internal Revenue Code and is organized for the purpose of providing free legal assistance to low-income clients.

§ 58.1-609.9. Nonprofit cultural organization 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:

- 797 1. Historical documents, maps, rare books and manuscripts acquired for use or consumption by a  
798 nonprofit state historical society, exempt from taxation under § 501 (c) (3) of the Internal Revenue  
799 Code, which has a research library, a museum, and an educational department, all open to the public.
- 800 2. Tangible personal property purchased for use or consumption by (i) a nonprofit museum of fine  
801 arts which is located on property owned by a city in Virginia and which receives more than one-half its  
802 operating budget from appropriations by the city or (ii) a nonprofit regional science-technology museum.
- 803 3. Tangible personal property purchased for the use or consumption of a nonstock corporation,  
804 exempt from taxation under § 501 (c) (3) of the Internal Revenue Code, whose principal activity is  
805 conducted on real property owned by any city in the Commonwealth, organized exclusively for the  
806 purpose of operating, managing, promoting and improving a public park and museum for recreational  
807 and educational purposes.
- 808 4. Tangible personal property purchased for charitable or educational purposes by an organization  
809 exempt under § 501 (c) (3) of the Internal Revenue Code and organized exclusively (i) to care for the  
810 spiritual needs of American Indians, (ii) to communicate to the non-Indian the values, customs,  
811 philosophy and special needs of the American Indian, (iii) to meet the urgent needs of American Indians  
812 through nationwide charitable distribution programs, and (iv) to encourage awareness of American  
813 Indian arts, crafts and customs provided such property is distributed by the organization through its  
814 nationwide charitable distribution program.
- 815 5. From July 1, 1989, through June 30, 1999, tangible personal property purchased for use or  
816 consumption by a nonprofit foundation exempt from taxation under § 501 (c) (3) of the Internal  
817 Revenue Code and organized for the purpose of promoting a permanent memorial to a former Chief  
818 Justice of the Supreme Court of the United States.
- 819 6. From July 1, 1989, through June 30, 1999, tangible personal property purchased for use or  
820 consumption by a nonprofit museum exempt from taxation under § 501 (c) (3) of the Internal Revenue  
821 Code and operating for the purpose of commemorating and preserving in a central repository the culture  
822 and history of black people in Virginia through a collection of memoirs, artifacts, displays, exhibits and  
823 other related historical data.
- 824 7. From July 1, 1989, through June 30, 1999, tangible personal property purchased for use or  
825 consumption by a nonstock, nonprofit organization which (i) is exempt from taxation under § 501 (c) (3)  
826 of the Internal Revenue Code, (ii) operates exclusively for educational and charitable purposes to  
827 promote the study, performance and public awareness of music by presenting performances of live music  
828 to youths and family groups, (iii) receives funding annually from at least three local governments in  
829 Virginia and from the Virginia Commission for the Arts, and (iv) charges no fees for children to attend  
830 the musical performances.
- 831 8. From July 1, 1989, through June 30, 1999, tangible personal property purchased for use or  
832 consumption by a nonprofit cultural organization, exempt from taxation under § 501 (c) (3) of the  
833 Internal Revenue Code, which educates children about the arts, humanities and nature on a regular basis  
834 through museum exhibits, classes and performances.
- 835 9. From July 1, 1989, through June 30, 1999, tangible personal property purchased for use or  
836 consumption by a national and international, nonprofit, scientific, and educational organization, exempt  
837 from taxation under § 501 (c) (3) of the Internal Revenue Code, whose resources are devoted to  
838 preserving ecologically significant areas in order to safeguard rare or endangered species or critical  
839 natural habitats.
- 840 10. Tangible personal property purchased for use or consumption by a nonstock, nonprofit  
841 organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and organized  
842 exclusively to provide a public park and botanical garden for the entertainment and recreation of the  
843 citizens of the Commonwealth and to promote the advancement of botanical science through research  
844 and education of science students.
- 845 11. a. From July 1, 1990, through June 30, 1999, tangible personal property purchased for use or  
846 consumption by a nonprofit organization which is exempt from taxation pursuant to § 501 (c) (3) of the  
847 Internal Revenue Code and which coordinates and promotes art in the Roanoke Valley.
- 848 b. From July 1, 1995, through June 30, 1999, tangible personal property purchased for use or  
849 consumption by a nonprofit organization which is exempt from taxation pursuant to § 501 (c) (3) of the  
850 Internal Revenue Code and which coordinates and promotes art in the Shenandoah Valley.
- 851 12. From July 1, 1995, through June 30, 1999, tangible personal property purchased for use or  
852 consumption by a nonprofit corporation which is exempt from taxation under § 501 (c) (3) of the  
853 Internal Revenue Code and which is organized under the laws of the Commonwealth primarily for the  
854 purposes of (i) promoting the best interests and welfare of the Jewish community; (ii) enriching and  
855 furthering an appreciation of the spiritual, cultural, and ethical heritages and values of Judaism as they  
856 apply to the Jewish way of life in America; and (iii) promoting fellowship, harmony, and rapport among  
857 Americans of the Jewish faith and among all citizens of the community at large.
- 858 13. From July 1, 1995, through June 30, 1999, tangible personal property purchased for use or

consumption by an organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and organized exclusively to commemorate the adoption of Virginia's Statute for Religious Freedom.

14. From July 1, 1995, through June 30, 1999, tangible personal property purchased for use or consumption by a nonprofit organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and organized exclusively to produce contemporary American and English theatre by professional artists from throughout the country for the education and entertainment of Virginians.

15. From July 1, 1995, through June 30, 1999, tangible personal property purchased for use or consumption by a nonprofit organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and organized to collect, preserve and disseminate information concerning genealogical and historical data; to advance the practice of thorough and ethical research; to foster careful documentation and scholarly writing; and to issue publications relating to the field of genealogy.

16. From July 1, 1995, through June 30, 1999, tangible personal property purchased for use or consumption by a nonprofit community theatre organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and organized exclusively to present a summer musical production within the boundaries of the Fourth Planning District Commission established pursuant to § 15.1-1403 for the education and entertainment of Virginians.

17. From July 1, 1995, through June 30, 1999, tangible personal property purchased for use or consumption by a nonstock, nonprofit charitable corporation exempt from taxation pursuant to § 501 (c) (3) of the Internal Revenue Code and from local property taxes and organized and operated to hold, manage, preserve, and exhibit a Virginia estate and home of the first President of the United States; to operate a library, open to the public and researchers free of charge, holding books, manuscripts, documents, and graphic arts relating to the life and times of such President; and to provide educational programs for students and teachers.

18. *From July 1, 1996, through June 30, 1999, tangible personal property purchased for use or consumption by, or sold by, a nonprofit organization exempt from taxation pursuant to § 501 (c) (3) of the Internal Revenue Code and organized exclusively to foster, promote and increase the musical knowledge, appreciation, experience and performing ability of young people and of the general public, by establishing, maintaining and operating one or more youth symphony orchestras in the Commonwealth.*