

1996 SESSION

INTRODUCED

966557260

HOUSE BILL NO. 809

Offered January 22, 1996

A BILL to amend and reenact § 58.1-3732 of the Code of Virginia, relating to business, professional and occupational license tax; definition of gross receipts.

Patron—Hall

Referred to Committee on Finance

Be it enacted by the General Assembly of Virginia:

1. That § 58.1-3732 of the Code of Virginia is amended and reenacted as follows:

§ 58.1-3732. Limitation on "gross receipts."

Gross receipts for license tax purposes shall not include any amount paid to the United States, the Commonwealth or any county, city or town for the Virginia retail sales or use tax, for any local sales tax or any local excise tax on cigarettes, for any federal or state excise taxes on motor fuels, or any amount paid for computer hardware and software that are sold to a United States federal or state government entity provided that such property was purchased within two years of the sale to said entity by the original purchaser who shall have been contractually obligated at the time of purchase to resell such property to a state or federal government entity. This exclusion shall not occur until the time of resale and shall apply to only the original cost of the property and not to its resale price, and the exclusion shall not apply to any of the tangible personal property which was the subject of the original resale contract if it is not resold to a state or federal government entity in accordance with the original contract obligation. *Finally, gross receipts for license tax purposes shall not include receipts for reimbursable items when there is a written contract which requires reimbursement at cost.*

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