

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact § 58.1-438.1 of the Code of Virginia, relating to tax credit for vehicle*
3 *emissions testing equipment.*

4
5 Approved

[H 66]

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

7 **1. That § 58.1-438.1 of the Code of Virginia is amended and reenacted as follows:**

8 § 58.1-438.1. Tax credit for vehicle emissions testing equipment, clean-fuel vehicles and certain
9 refueling property.

10 Any corporation, individual or public service corporation shall be allowed a credit against the income
11 or gross receipts taxes imposed by Subtitle I (§ 58.1-100 et seq.) and Chapter 26 (§ 58.1-2600 et seq.) of
12 Title 58.1 of (i) an amount equal to ten percent of the deduction allowed to such corporation, individual
13 or public service corporation under Section 179A of the Internal Revenue Code for purchases of
14 clean-fuel vehicles principally garaged in Virginia or certain refueling property placed in service in
15 Virginia or ten percent of the costs used to compute the credit under Section 30 of the Internal Revenue
16 Code and (ii) an amount equal to twenty percent of the purchase or lease price paid during the taxable
17 year for equipment certified by the Department of Environmental Quality for vehicle emissions testing,
18 located within, *or within any county, city or town adjacent to*, any county, city or town wherein
19 implementation of an enhanced vehicle emissions inspection program, as defined in § 46.2-1176, is
20 required. Credits granted to a partnership or S corporation shall be passed through to the partners or
21 shareholders, respectively. If the credit exceeds the tax liability in a year, the credit may be carried
22 forward up to five succeeding years.

23 **2. That the provisions of this act shall be effective for taxable years beginning on and after**
24 **January 1, 1998.**

ENROLLED

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