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**SENATE BILL NO. 83**

Offered January 14, 1998

*A BILL to amend and reenact § 58.1-609.10 of the Code of Virginia, relating to miscellaneous exemptions from the retail sales and use tax.*

\_\_\_\_\_  
Patron—Colgan

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Referred to the Committee on Finance

**Be it enacted by the General Assembly of Virginia:****1. That § 58.1-609.10 of the Code of Virginia is amended and reenacted as follows:**

§ 58.1-609.10. Miscellaneous 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. Artificial or propane gas, firewood, coal or home heating oil used for domestic consumption. "Domestic consumption" means the use of artificial or propane gas, firewood, coal or home heating oil by an individual purchaser for other than business, commercial or industrial purposes. The Tax Commissioner shall establish by regulation a system for use by dealers in classifying individual purchases for domestic or nondomestic use based on the principal usage of such gas, wood, coal or oil. Any person making a nondomestic purchase and paying the tax pursuant to this chapter who uses any portion of such purchase for domestic use may, between the first day of the first month and the fifteenth day of the fourth month following the year of purchase, apply for a refund of the tax paid on the domestic use portion.

2. An occasional sale, as defined in § 58.1-602.

3. Tangible personal property for future use by a person for taxable lease or rental as an established business or part of an established business, or incidental or germane to such business, including a simultaneous purchase and taxable leaseback.

4. Delivery of tangible personal property outside the Commonwealth for use or consumption outside of the Commonwealth. Delivery of goods destined for foreign export to a factor or export agent shall be deemed to be delivery of goods for use or consumption outside of the Commonwealth.

5. Sales of tangible personal property to a nonsectarian youth organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and sponsoring a national or international camping assembly within this Commonwealth for seven continuous days or more with attendance in excess of 20,000, which sale of tangible personal property is for use or consumption at such camping assembly.

6. Tangible personal property purchased with food coupons issued by the United States Department of Agriculture under the Food Stamp Program or drafts issued through the Virginia Special Supplemental Food Program for Women, Infants, and Children.

7. 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 promote efficiency and fairness in the offer and sale of securities for the benefit of investors, securities issuers, and the general public, by providing for electronic communication, filing, processing, dissemination and review of securities registration materials, and by serving as a database for securities law information filed with regulators having primary and immediate authority to administer the regulation of the commerce of securities.

8. From July 1, 1995, through June 30, 1999, tangible personal property purchased for use in the construction of improvements which are to be used solely for affordable rental dwelling units for persons who are of the age of at least 62 years, if at least part of the funds for site development and the construction are provided by an organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and if the amount of funds which would otherwise have to be provided by the tax exempt organization is reduced by the amount of the sales and use tax exemption. The rental units shall be considered to be affordable if the rent charged meets the criteria of the Federal Low Income Housing Tax Credit Program.

9. From July 1, 1995, through June 30, 1999, tangible personal property donated or sold for distribution to individuals in the United States who have been victims of a natural disaster which has been declared a disaster for federal aid purposes by the President of the United States.

10. From July 1, 1995, through June 30, 1999, copies of medical records purchased by an attorney or his law firm for use in case preparations.

11. From July 1, 1997, through June 30, 1999, tangible personal property purchased for use or consumption by a nonstock, nonprofit corporation organized under the laws of the State of Delaware

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60 which is exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and was formed for the  
61 purposes of (i) promoting the development of the private sector of the nation of Romania and (ii)  
62 carrying out all other purposes and policies of, and complying with, the relevant sections of the Support  
63 For East European Democracy Act of 1989 (P.L. 101-179, 22 U.S.C. § 5401 et seq.).

64 12. From July 1, 1997, through June 30, 1999, tangible personal property purchased for use or  
65 consumption by a nonprofit organization exempt from taxation under § 501 (c) (3) of the Internal  
66 Revenue Code and organized exclusively to promote the social welfare and defend the human rights of  
67 persons born and unborn.

68 13. From July 1, 1997, through June 30, 1999, livestock sold at auction by a chamber of commerce  
69 exempt from taxation under § 501 (c) (6) of the Internal Revenue Code, provided that the proceeds of  
70 such auction are distributed to contestants in a junior livestock show and sale.

71 14. From July 1, 1997, through June 30, 1999, tangible personal property purchased for use or  
72 consumption by or sold by any civic youth organization which is organized solely for the purpose of  
73 promoting community little league-type baseball or softball within the boundaries of the Second  
74 (Cumberland Plateau) Planning District established pursuant to § ~~15.1-1403~~15.2-4203.

75 15. From July 1, 1997, through June 30, 1999, a professional's provision of original, revised, edited,  
76 reformatted or copied documents, including but not limited to documents stored on or transmitted by  
77 electronic media, to its client or to third parties in the course of the professional's rendition of services  
78 to its clientele.

79 16. From July 1, 1997, through June 30, 1999, lodging and meals for members paid by and tangible  
80 personal property purchased for use or consumption by a nonprofit veterans association exempt from  
81 taxation under § 501 (c) (19) of the Internal Revenue Code and which is organized to provide  
82 scholarships to National Guard members and their families, extra life insurance for National Guard  
83 members, and interest-free loans to National Guard members who have lost their full-time jobs, homes  
84 or cars.

85 17. *From July 1, 1998, through June 30, 1999, tangible personal property purchased for use or*  
86 *consumption by, or sold by, a nonprofit corporation exempt from taxation under § 501 (c) (3) of the*  
87 *Internal Revenue Code which is organized for the purpose of fostering economic development by*  
88 *working with owners or managers of small businesses to create jobs, make capital investments, and*  
89 *increase sales, and which receives funding from the Department of Business Assistance, the U.S. Small*  
90 *Business Administration, and political subdivisions of the Commonwealth.*