

DEPARTMENT OF TAXATION

2002 Fiscal Impact Statement

1. **Patron** O'Brien

3. **Committee** House Finance

4. **Title** Individual Income Tax: Virginia War
Memorial Association Check-off

2. **Bill Number** HB 645

House of Origin:

 X **Introduced**

 Substitute

 Engrossed

Second House:

 In Committee

 Substitute

 Enrolled

5. **Summary/Purpose:**

This bill would create an individual income tax check-off for voluntary contributions to be used by the Virginia War Memorial Association in its work of establishing and supporting war memorials throughout the Commonwealth.

This bill is effective for taxable years beginning on or after January 1, 2003, but before January 1, 2008.

6. **Fiscal Impact Estimates are:** None (See Line 8.)

7. **Budget amendment necessary:** No

8. **Fiscal implications:**

While this bill does have costs associated with systems development, these cannot be ascertained at this time. The cost for implementing a **single** piece of legislation cannot be calculated precisely due to economies of scale. The actual cost to implement **all** legislation enacted during a given session will more than likely be less than the sum of the costs attributed to individual bills. Further, the ability to accurately predict costs is complicated because TAX is replacing its current database system. As a result, legislative changes may need to be made to both the current and the future system, depending on the effective date. Therefore, TAX is not providing specific systems costs for this bill, but will calculate the total for all tax bills once they have been acted upon favorably. Other administrative costs to implement this bill would be minimal.

This bill would have no impact in the General Fund revenues because check-offs are voluntary contributions made by taxpayers that reduce their income tax refunds.

9. **Specific agency or political subdivisions affected:**

Department of Taxation

10. Technical amendment necessary: No

11. Other comments:

This bill would allow individuals who are due a tax refund to contribute one dollar or more to the Virginia War Memorial Association. This check-off would be effective for taxable years beginning on or after January 1, 2003, but before January 1, 2008.

There are twenty-one active voluntary contribution check-off provisions. Thirteen are permanent, and eight sunset. The following illustrates their status:

Voluntary Check-off Contribution	Current Expiration Date
Center for Government Studies	January 1, 2005
Chesapeake Bay	None
Children of America Finding Hope	None
Community Policing Fund	None
Elderly Transportation Fund	None
Family and Children's Trust Fund	None
Historic Resources Fund	January 1, 2004
Jamestown-Yorktown Foundation	January 1, 2008
Law and Economics Center	January 1, 2005
Nongame Wildlife	None
Open Space Recreation and Conservation Fund	None
Organ and Tissue Donation	January 1, 2007
Political Parties (See * below)	None
Public School Foundation	January 1, 2007
State Forest Systems Fund	None
Uninsured Medical Catastrophe	None
U.S. Olympic Committee	None
Virginia Arts Foundation	None
Virginia Foundation for the Humanities and Public Policy Fund	January 1, 2005
Virginia Housing Program	None
4-H Educational Center	January 1, 2007

The following chart represents historical data on the individual income tax check-offs:

Program/Fund	1996		1997		1998		1999	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Virginia Democratic Party *	3,676	\$37,701	1,877	\$23,655	1,945	\$25,591	1,656	\$23,743
Virginia Republican Party *	2,835	29,013	1,422	18,611	1,454	19,974	1,255	17,510
Virginia Reform Party			111	871	10	194	0	0
Virginia Nongame Wildlife Program	19,446	260,829	9,881	163,454	9,287	156,194	8,716	151,902
Virginia Housing Program	181	2,479	2,667	29,596	2,961	37,286	2,506	33,756
Virginia Open Space Recreation and Conservation Fund	10,779	114,180	4,342	52,920	4,138	51,232	3,905	52,215
Virginia Family and Children's Trust Fund (FACT)	9,285	88,611	3,588	40,988	3,306	42,227	3,224	42,304
Virginia Elderly and Disabled Transportation Fund	222	2,496	4,113	47,445	4,263	54,421	4,203	60,353
United States Olympic Committee	6,794	56,790	3,220	33,304	2,338	24,284	2,470	30,065
Community Policing Fund	5,837	52,645	2,042	21,179	1,838	19,478	1,434	15,888
Virginia Arts Foundation			2,410	25,964	2,668	30,077	2,077	25,706
Chesapeake Bay Restoration			6,913	98,161	6,673	100,191	7,192	116,956
Historic Resources Fund					2,160	22,298	1,607	17,290
State Forests Systems Fund							3,050	34,880

Uninsured Medical Catastrophe Fund							2,136	26,976
Humanities & Public Policy							540	4,666
Center for Government Studies							331	3,759
Law & Economics Center							342	4,839
Total	59,055	\$644,745	42,586	\$556,148	43,041	\$583,447	46,644	\$662,807

Other Legislation

House Bill 748 would create an individual income tax check-off for voluntary contributions to the Home Energy Assistance Fund.

Senate Bill 309 would create an individual income tax check-off for voluntary contributions to the Art Museum of Western Virginia.

Senate Bill 524 would make the existing Virginia Housing Program check-off permanent.

cc: Secretary of Finance

Date: 1/14/02/TST

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