

2006 SESSION

LEGISLATION NOT PREPARED BY DLS
INTRODUCED

069827768

SENATE BILL NO. 661

Offered January 18, 2006

A BILL to amend the Code of Virginia by adding in Article 13 of Chapter 3 of Title 58.1 a section numbered 58.1-439.12:02, relating to employer-provided commuting benefits tax credit.

Patron—Miller

Referred to Committee on Finance

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Article 13 of Chapter 3 of Title 58.1 a section numbered 58.1-439.12:02, as follows:

§ 58.1-439.12:02. Employer-provided commuting benefits tax credit.

A. For taxable years beginning on or after January 1, 2007, any employer shall be allowed a credit against the tax imposed by §§ 58.1-320 and 58.1-400 in an amount equal to 40% of the cost of eligible commuting expenses provided by such employer for his employees, subject to the limitations in subsections B and C. For purposes of this section, "eligible commuting expenses" are those costs that pay for (i) travel between an employee's residence and place of employment by means of multiple-occupancy vehicle transportation and mass-transit transportation; (ii) parking fees; and (iii) the installation of bicycle racks or showers, or both, for use by employees who ride their bicycles to work.

B. The maximum annual credit for eligible commuting expenses shall not exceed the lesser of \$240 for each employee or the employer's tax liability for the taxable year. Any unused credit may be carried over for credit against the employer's taxable income for the next five taxable years or until totally used, whichever occurs first.

C. No employer shall be eligible to claim a credit under this section to the extent such employer has taken a deduction for such commuting expenses for federal income tax purposes.

INTRODUCED

SB661