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**HOUSE BILL NO. 803****AMENDMENT IN THE NATURE OF A SUBSTITUTE**

(Proposed by the House Committee on Finance  
on February 10, 2010)

(Patrons Prior to Substitute—Delegates Poindexter, Englin [HB 268], and Keam [HB 1132])

A *BILL to amend the Code of Virginia by adding in Article 13 of Chapter 3 of Title 58.1 a section numbered 58.1-439.12:03, relating to green job creation income tax credit.*

**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 58.1-439.12:03 as follows:**

§ 58.1-439.12:03. *Green job creation tax credit.*

A. *For taxable years beginning on or after January 1, 2010, but before January 1, 2015, a taxpayer shall be allowed a credit against the tax levied pursuant to § 58.1-400 for each new green job created within the Commonwealth by the taxpayer. The amount of the annual credit for each new green job shall be \$500 for each annual salary that is \$50,000 or more. The credit shall be first allowed for the taxable year in which the job has been filled for at least one year and for each of the four succeeding taxable years provided the job is continuously filled during the respective taxable year. Each taxpayer qualifying under this section shall be allowed the credit for up to 350 green jobs.*

B. *As used in this section:*

"Green job" means employment in industries relating to the field of renewable, alternative energies, including the manufacture and operation of products used to generate electricity and other forms of energy from alternative sources that include geothermal heating systems, solar heating systems, hydropower systems, wind systems, and biomass and biofuel systems. The Secretary of Commerce and Trade shall develop a detailed definition and list of jobs that qualify for the credit provided in this section and shall post them on his website.

"Job" means full-time employment in the Commonwealth of an individual for an indefinite duration for whom the taxpayer pays the wages and standard fringe benefits and whose primary work activity is related directly to the field of renewable, alternative energy.

C. *To qualify for the tax credit provided in subsection A, a taxpayer shall demonstrate that the green job was created by the taxpayer, and that such job was continuously filled in the Commonwealth during the respective taxable year.*

D. *The amount of the credit shall not exceed the total amount of tax imposed by this chapter for the taxable year in which the green job was continuously filled. If the amount of credit allowed exceeds the taxpayer's tax liability for such taxable year, the amount that exceeds the tax liability may be carried over for credit against the income taxes of the taxpayer in the next five taxable years or until the total amount of the tax credit has been taken, whichever is sooner.*

E. *If the taxpayer is eligible for the tax credits under this section and creates green jobs in an enterprise zone, as defined in § 59.1-539, such taxpayer may also qualify for the benefits under the Enterprise Zone Grant Program (§ 59.1-538 et seq.).*

F. *A taxpayer shall not be allowed a tax credit pursuant to this section for any green job for which the taxpayer is allowed (i) a major business facility job tax credit pursuant to § 58.1-439, or (ii) a federal tax credit for investments in manufacturing facilities for clean energy technologies that would foster investment and job creation in clean energy manufacturing.*