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SENATE BILL NO. 919

Offered January 9, 2013

Prefiled January 7, 2013

A *BILL to amend the Code of Virginia by adding in Chapter 17 of Title 58.1 an article numbered 10, consisting of sections numbered 58.1-1742 through 58.1-1746, relating to state severance tax; uranium.*

Patron—Watkins

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 Chapter 17 of Title 58.1 an article numbered 10, consisting of sections numbered 58.1-1742 through 58.1-1746, as follows:

*Article 10.**Uranium Severance Tax.***§ 58.1-1742. Tax levied.**

There is hereby levied a license tax on every person engaging in the business of severing uranium from the earth. The tax shall be at a rate of three percent of the gross receipts from the sale of uranium severed within the Commonwealth. Such gross receipts shall be the fair market value measured at the time such uranium is utilized or sold for utilization in the Commonwealth or at the time such uranium is placed in transit for shipment therefrom.

§ 58.1-1743. Records to be kept.

The producers of uranium and common carriers shall maintain records and file reports showing the quantities of and receipts from uranium that they have produced or transported.

§ 58.1-1744. Collection.

The tax levied by this article shall be collected by the Department of Taxation in the same manner as the income tax imposed under Chapter 3 (§ 58.1-300 et seq.), as provided by the rules and regulations promulgated by the Tax Commissioner.

§ 58.1-1745. Disposition of proceeds.

All revenues generated pursuant to this article, minus the necessary expenses of the Department for the administration of the tax, as certified by the Commissioner, shall be distributed as follows:

1. One-half of the revenues shall be deposited into the general fund; and

2. One-half of the revenues shall be deposited into the appropriate subfund of the Economic Development and Environmental Trust Fund, established pursuant to § 58.1-1746, designated for the county or city from which the uranium was severed.

§ 58.1-1746. Economic Development and Environmental Trust Fund established.

A. There is hereby created in the state treasury a special nonreverting fund to be known as the Economic Development and Environmental Trust Fund, hereafter referred to as "the Fund." The Fund shall be established on the books of the Comptroller. A subfund of the Fund shall be established for each county or city from which uranium is severed from the earth. The revenues designated for each subfund pursuant to subdivision 2 of § 58.1-1745 shall be paid into the state treasury and credited to the appropriate subfund. Interest earned on moneys in each subfund shall remain in the subfund and be credited to it. Any moneys remaining in the subfund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the subfund. Moneys in each subfund shall be used solely for the purposes of promoting economic development and environmental protection in the locality for which the subfund is designated. Expenditures and disbursements from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller upon written request signed by the chairman of the locality's Economic Development and Environmental Trust Board, established pursuant to subsection B.

B. Any locality for which a subfund is established pursuant to subsection A shall establish an Economic Development and Environmental Trust Board to administer the subfund. The Board shall consist of at least nine members, serving four-year terms, appointed by the governing body of the county or city, and shall consist of representatives from the local government, the business community, and the environmental community. The governing body of the county or city may stagger the terms of the initial appointees to the Board. Each Board shall elect a chairman and vice-chairman from its membership and shall develop bylaws and guidelines for administration of the subfund, subject to the approval of the governing body of the county or city.

INTRODUCED

SB919