

**DEPARTMENT OF TAXATION
2016 Fiscal Impact Statement**

1. **Patron** Ryan T. McDougale
3. **Committee** House Finance
4. **Title** Obsolete tax statutes.

2. **Bill Number** SB 372
House of Origin:
 Introduced
 Substitute
 Engrossed
- Second House:**
 X **In Committee**
 Substitute
 Enrolled

5. Summary/Purpose:

This bill would repeal obsolete tax-related statutes. This bill is a recommendation of the Code Commission.

The effective date of this bill is not specified.

6. Budget amendment necessary: No.

7. No Fiscal Impact.

8. Fiscal implications:

Administrative Costs

The Department of Taxation ("the Department") considers implementation of this bill as routine, and does not require additional funding.

Revenue Impact

This bill would have no impact on state or local tax revenue.

9. Specific agency or political subdivisions affected:

Department of Taxation

10. Technical amendment necessary: No.

11. Other comments:

Proposed Legislation

This bill would repeal the following obsolete sections of the Code of Virginia:

- Low-Income Housing Tax Credit (issuance prohibited after 6/30/10)
- Temporary Assistance for Needy Families Tax Credit (credit did not meet certain federal qualifications)
- Rent Reductions Tax Credit (expired 12/31/10)
- Telecommunications Income Tax Credit (expired 12/31/98)
- Clean Fuel Vehicle And Advanced Cellulosic Biofuels Job Creation Tax Credit (expired 12/31/14)
- Employees With Disabilities Tax Credit (expired 12/31/02)
- Tax Credit For Investing In Technology Industries In Tobacco-Dependent Localities (expired 12/31/09)
- Tax Credit For Research And Development Activity Occurring In Tobacco-Dependent Localities (expired 12/31/09)
- Technology Initiative in Tobacco-Dependent Localities Fund (credits supported by the fund expired 12/31/09)
- Tax Incentives For Use Of Domestic Tobacco (expired 12/31/12)
- Tax Commissioner To Promulgate Regulations (credits that would be the subject of the regulations have expired)
- Transitional Provisions (Transition occurred July 1, 2013)
- Virginia Tax Amnesty Program Established (expired 6/30/10)
- Tax On Fuel In Inventory (expired after January 1, 2014)
- Reports By Owners Of Tax Exempt Real Estate (expired 12/31/93)
- Counties And Cities Authorized To Levy Severance Tax On Oil (expired 7/1/95)
- Additional Transient Occupancy Tax (expired 1/1/12)
- Additional Transient Occupancy Tax In Certain Counties And Cities In Northern Virginia (Declared null and void by Acts 2008, ch. 652 following the Virginia Supreme Court decision in *Marshall v. Northern Virginia Transp. Authority*, 275 Va. 419 (2008))

The bill also amends several sections of the Code of Virginia to remove references to these obsolete sections. The repeal of these sections would have no effect on any tax credits or benefits already earned or allowed.

cc : Secretary of Finance

Date: 2/5/2016 JPJ
SB372FE161