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HOUSE BILL NO. 1803

Offered January 13, 2021

Prefiled January 4, 2021

A *BILL to amend the Code of Virginia by adding in Chapter 30 of Title 58.1 a section numbered 58.1-3019, relating to local credits for approved local volunteer activities.*

Patron—Orrock

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 30 of Title 58.1 a section numbered 58.1-3019 as follows:

§ 58.1-3019. Local tax credits for approved local volunteer activities.

A. For the purposes of this section:

"Approved volunteer services" means (i) volunteer firefighting and fire prevention services, emergency medical and ambulance services, auxiliary police services, and emergency rescue services that operate exclusively for the benefit of the general public on behalf of nonprofit organizations or (ii) locally approved services. "Approved volunteer services" includes all training and training-related activities required by law to perform such approved volunteer services. For individuals performing services pursuant to clause (i), "approved volunteer services" includes only services performed by a bona fide volunteer.

"Bona fide volunteer" means an individual who performs approved volunteer services and whose only compensation for such performance is (i) reimbursement, or a reasonable allowance, for reasonable expenses incurred in the performance of such approved volunteer services or (ii) reasonable benefits, including length of service awards, and fees for such approved volunteer services customarily paid by eligible employers in connection with the performance of approved volunteer services by bona fide volunteers.

"Locally approved services" means volunteer services performed on behalf of (i) a nonprofit organization, which may include an organization described in § 501(c)(3) of the Internal Revenue Code or an organization exempt from local taxes pursuant to Articles 1 (§ 58.1-3600 et seq.) through 4.1 (§ 58.1-3651 et seq.) of Chapter 36 or (ii) the locality. "Locally approved services" includes only those services approved by the locality pursuant to subsection C.

B. The governing body of any county, city, or town may, by ordinance, provide a credit against taxes and fees imposed by the locality to an individual who provides approved volunteer services in the locality. The locality may allow the credit to be used against the individual's liability for any taxes, fees, or other charges imposed pursuant to Subtitle III (§ 58.1-3000 et seq.), with the exception that the credits shall in no event be applicable to the property taxes, fees, or other charges imposed pursuant to Chapters 32 (§ 58.1-3200 et seq.), 34 (§ 58.1-3400 et seq.), or 35 (§ 58.1-3500 et seq.). The locality may also allow the credit to be applied against any taxes, fees, or other charges imposed pursuant to Title 15.2. The locality, in its discretion, shall determine which taxes, fees, or other charges shall be allowable uses of the credit, and such information shall be stated in the ordinance.

C. The locality shall state in the ordinance, or by amendments to the ordinance, what services shall constitute locally approved services. In determining what services shall qualify, the locality may make such determination by classification or designation of which activities or organizations shall qualify.

INTRODUCED

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