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## SENATE BILL NO. 1286

Offered January 13, 2021

Prefiled January 11, 2021

A BILL to amend and reenact § 58.1-320 of the Code of Virginia and to amend the Code of Virginia by adding in Article 2 of Chapter 3 of Title 58.1 a section numbered 58.1-327, relating to income tax; rate increase; funding for schools and law-enforcement officer salaries.

Patron—Deeds

Referred to Committee on Finance and Appropriations

**Be it enacted by the General Assembly of Virginia:**

1. That § 58.1-320 of the Code of Virginia is amended and reenacted and that the Code of Virginia is amended by adding in Article 2 of Chapter 3 of Title 58.1 a section numbered 58.1-327 as follows:

**§ 58.1-320. Imposition of tax.**

A tax is hereby annually imposed on the Virginia taxable income for each taxable year of every individual as follows:

Two percent on income not exceeding in excess of \$3,000;

Three percent on income in excess of \$3,000, but not in excess of \$5,000;

Five percent on income in excess of \$5,000, but not in excess of \$12,000 for taxable years beginning before January 1, 1987;

Five percent on income in excess of \$5,000 but not in excess of \$14,000 for taxable years beginning January 1, 1987, through December 31, 1987;

Five percent on income in excess of \$5,000 but not in excess of \$15,000 for taxable years beginning January 1, 1988, through December 31, 1988;

Five percent on income in excess of \$5,000 but not in excess of \$16,000 for taxable years beginning January 1, 1989, through December 31, 1989;

Five percent on income in excess of \$5,000 but not in excess of \$17,000 for taxable years beginning January 1, 1990;

Five and three-quarters percent on income in excess of \$12,000 for taxable years beginning before January 1, 1987; and

Five and three-quarters percent on income in excess of \$14,000 for taxable years beginning January 1, 1987, through December 31, 1987;

Five and three-quarters percent on income in excess of \$15,000 for taxable years beginning January 1, 1988, through December 31, 1988;

Five and three-quarters percent on income in excess of \$16,000 for taxable years beginning January 1, 1989, through December 31, 1989; and

Five and three-quarters percent on income in excess of \$17,000 for taxable years beginning on and after January 1, 1990, through December 31, 2020;

Five and three-quarters percent on income in excess of \$17,000 but not in excess of \$150,000 for taxable years beginning on and after January 1, 2021; and

Five and nine-tenths percent on income in excess of \$150,000 for taxable years beginning on and after January 1, 2021.

**§ 58.1-327. Dedication of certain income tax revenues.**

Beginning with fiscal year 2022, an amount equivalent to fifteen-hundredths of a percent (0.15%) of income of taxpayers with income in excess of \$150,000 shall be appropriated for schools and law enforcement, as follows: 45 percent of such amount shall be appropriated to provide grants to school divisions for nonrecurring expenditures by the relevant school division, which shall include only the following: school construction or additions, infrastructure, site acquisition, renovations, technology and other expenditures related to modernizing classroom equipment, school safety equipment or school safety renovations, and debt service payments on school projects completed during the last 10 years and 55 percent of such amount shall be appropriated to provide salary increases for state and state-supported law-enforcement officers.

INTRODUCED

SB1286