

1995 SESSION

INTRODUCED

LD8290188

HOUSE BILL NO. 859

Offered January 25, 1994

A BILL to amend the Code of Virginia by adding in Article 3 of Chapter 3 of Title 58.1 a section numbered 58.1-339.2, relating to income tax credit for earned income.

Patrons—Cunningham, Cranwell, Jackson, Jones, J.C. and Thomas

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 Article 3 of Chapter 3 of Title 58.1 a section numbered 58.1-339.2 as follows:

§ 58.1-339.2. Earned-income credit.

Any individual shall be allowed a credit for earned income against the tax levied pursuant to § 58.1-320. Any individual whose credit exceeds his tax liability shall receive a refund equal to the amount the credit exceeds the tax liability. The allowable credit amount shall be ten percent of the basic federal earned-income credit allowed the individual for the taxable year under § 32 (b) (1) of the Internal Revenue Code, using the percentages under § 32 b) (1) (B) with the limitation contained in § 32 (a) (2).

2. That the provisions of this act shall be effective for taxable years beginning on and after January 1, 1995.

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HB859