

Legislative Report

Commissioners of the Revenue Association Legislative Retreat - Staunton, Virginia 4/20/2017

New Laws	Effective Date	Mandate
PERSONAL PROPERTY		
<p>HB 2193 Personal property tax; business property.</p> <p><i>Chief patron:</i> Rush</p> <p>An Act to amend and reenact § 58.1-3506 of the Code of Virginia, relating to personal property tax; valuation of certain property used in a business.</p> <p><i>Summary as introduced:</i> Personal property tax; business property. Requires localities to permit taxpayers to provide an aggregate estimate of the total cost of all personal property used in a business that has an original cost of less than \$500, in lieu of a specific, itemized list. Under current law, localities are permitted to allow taxpayers to provide such estimate of aggregate cost for property whose original cost is less than \$250.</p>	1/1/2018	Statewide
<p>SB 1205 Commercial fishing vessels; classifies vessels as a separate class of property.</p> <p><i>Chief patron:</i> Lewis</p> <p>An Act to amend and reenact § 58.1-3506 of the Code of Virginia, relating to tangible personal property; commercial fishing vessels.</p> <p><i>Summary as introduced:</i> Tangible personal property; commercial fishing vessels. Classifies commercial fishing vessels and property permanently attached to such vessels as a separate class of property for the purpose of local personal property tax.</p>	1/1/2018	Requires local ordinance to segregate this property from the general class
<p>SB 1497 Manufactured home; excludes a park model recreation vehicle from definition.</p> <p><i>Chief patron:</i> Carrico</p> <p>An Act to amend and reenact § 46.2-100 of the Code of Virginia, relating to manufactured homes; definition.</p> <p><i>Summary as passed Senate:</i> Manufactured home; definition. Excludes a park model recreational vehicle from the definition of "manufactured home" and defines a park model recreational vehicle as a vehicle that is (i) designed and marketed as temporary living quarters for recreational, camping, travel, or seasonal use; (ii) not permanently affixed to real property for use as a permanent dwelling; (iii) built on a single chassis mounted on wheels; and (iv) certified by the manufacturer as complying with the American National Standards Institute (ANSI) A119.5 Park Model Recreational Vehicle Standard.</p>	7/1/2017	Statewide

<p>SB 1532 Motor vehicle license fees; exemption of antique vehicles.</p> <p><i>Chief patron:</i> Lewis</p> <p>An Act to amend and reenact § 46.2-755 of the Code of Virginia, relating to motor vehicle license fees; exemption of antique vehicles.</p> <p><i>Summary as introduced:</i> Motor vehicle license fees; exemption of antique vehicles. Exempts a motor vehicle, trailer, or semitrailer that is licensed as an antique vehicle from the imposition of local license fees.</p>	<p>7/1/2017</p> <p>For prorating localities</p> <p>1/1/2018 for non-prorating localities</p>	<p>Statewide</p>
<p>HB 2269 Motor vehicle safety inspection; Superintendent shall provide information upon written request. - <i>Chief patron:</i> Villanueva</p> <p>SB 1250 Motor vehicle safety inspection data. - <i>Chief patron:</i> Carrico</p> <p>An Act to amend and reenact § 46.2-1163 of the Code of Virginia, relating to motor vehicle safety inspection data.</p> <p><i>Summary as passed:</i> State Police motor vehicle safety inspection data. Authorizes the Superintendent of State Police to provide, upon request, verification of the inspection status of a vehicle and to charge a reasonable fee for providing such information. Fees shall not be charged to government or other public entities.</p>	<p>7/1/2017</p>	<p>Statewide</p>
<p>REAL ESTATE</p>		
<p>HB 1455 Real property tax; partial exemption for certain commercial and industrial structures</p> <p><i>Chief patron:</i> Ware.</p> <p>An Act to amend and reenact § 58.1-3221 of the Code of Virginia, relating to real property tax; partial exemption for certain commercial and industrial structures.</p> <p><i>Summary as passed House:</i> Real property tax; partial exemption for certain commercial and industrial structures. Reduces from 20 years to 15 years the minimum age of a structure in a technology zone that is rehabilitated for commercial use that qualifies the rehabilitated structure for a partial exemption from real property taxes. Under current law, a 15-year age minimum applies only to structures located in an enterprise zone designated by the Commonwealth, and a 20-year age minimum applies in all other situations. The bill contains technical amendments.</p>	<p>1/1/2018</p>	<p>Applies only if the locality has an ordinance under 58.1-3221</p>

<p>HB 1476 Real property tax; special assessment for land preservation.</p> <p><i>Chief patron:</i> Orrock</p> <p>An Act to amend and reenact § 58.1-3234 of the Code of Virginia, relating to real property tax; special assessment for land preservation.</p> <p><i>Summary as introduced:</i> Real property tax; special assessment for land preservation. Prohibits any locality from requiring any taxpayer who is the lessor of real property to produce the lease for the purpose of determining whether the property is eligible for special assessment for land preservation.</p>	<p>1/1/2018</p>	<p>Applies only if the locality has a Land Use ordinance</p>
<p>HB 1884 Real property tax; exemption for certain surviving spouses.</p> <p><i>Chief patron:</i> Hugo</p> <p>An Act to amend the Code of Virginia by adding in Chapter 32 of Title 58.1 an article numbered 2.5, consisting of sections numbered 58.1-3219.13 through 58.1-3219.16, relating to real property tax exemption; certain surviving spouses.</p> <p><i>Summary as passed House:</i> Real property tax exemption; certain surviving spouses. Authorizes localities to exempt the primary residence of the surviving spouse of a law-enforcement officer, firefighter, search and rescue personnel, and emergency medical services personnel who is killed in the line of duty. The exemption does not apply to that portion of the value of the residence in excess of the average assessed value of dwellings in the locality. The bill is pursuant to Article X, Section 6-B of the Constitution of Virginia, which was adopted by the voters in 2016.</p>	<p>1/1/2017</p> <p>First year Allowed</p>	<p>Applies only if the locality has adopted an ordinance to exempt such property</p>
<p>HJ 562 Const. amend. (first resolution); real property tax; exemption for surviving spouse of disabled vet.</p> <p><i>Chief patron:</i> Miyares</p> <p>Proposing an amendment to Section 6-A of Article X of the Constitution of Virginia, relating to real property tax; exemption.</p> <p><i>Summary as passed House:</i> Constitutional amendment (first resolution); real property tax; exemption for surviving spouse of a disabled veteran. Provides that the real property tax exemption for the principal residence of the surviving spouse of a disabled military veteran applies without any restriction on the spouse's moving to a different principal place of residence.</p>	<p>Possibly 1/1/2019</p> <p>Must go to public referendum November 2018</p>	<p>Statewide</p>

REAL ESTATE AND/OR PERSONAL PROPERTY		
<p>HB 1565 Local tax and regulatory incentives; green development zones.</p> <p><i>Chief patron:</i> Webert</p> <p>An Act to amend and reenact § 58.1-3245.12 of the Code of Virginia and to amend the Code of Virginia by adding in Chapter 38 of Title 58.1 an article numbered 13, consisting of a section numbered 58.1-3854, relating to local fees, taxes, and regulations; green development zones.</p> <p><i>Summary as passed House:</i> Local tax and regulatory incentives; green development zones. Authorizes localities to create green development zones that provide certain tax incentives and regulatory flexibility for up to 10 years to a business operating in an energy-efficient building or to a business that produces products used to reduce negative impact on the environment.</p>	1/1/2018	Applies only if the locality has an ordinance identifying a "Green Development Zone".
BPOL		
<p>HB 1626 License tax on peddlers and itinerant merchants; adhesive license display.</p> <p><i>Chief patron:</i> Robinson</p> <p>An Act to amend and reenact § 58.1-3717 of the Code of Virginia, relating to license tax on peddlers and itinerant merchants; adhesive license display.</p> <p><i>Summary as introduced:</i> License tax on peddlers and itinerant merchants; adhesive license display. Provides that any locality requiring an itinerant merchant to display its license at its temporary place of business shall provide to the itinerant merchant an adhesive label that satisfies such requirement.</p>	7/1/2017	Applies only if the locality has a BPOL ordinance
<p>HB 1889 License taxes, local; exemption for certain defense production businesses. --<i>Chief patron:</i> Hugo SB 1274 License taxes, local; exemption for certain defense production businesses. --<i>Chief patron:</i> McDougle</p> <p>An Act to amend and reenact §§ 58.1-3700.1 and 58.1-3703 of the Code of Virginia, relating to local license taxes; exemption for certain defense production businesses.</p> <p><i>Summary as passed:</i> Local license taxes; exemption for certain defense production businesses. Clarifies that the exemption for wholesale manufacturers from local license taxes includes a manufacturer that is also a defense production business selling manufacturing, rebuilding, repair, and maintenance services at the place of manufacture to the United States or for which consent of the United States is required.</p>	7/1/2017	Applies only if the locality has a BPOL ordinance

<p>HB 1961 License tax, local; methodology for deducting certain gross receipts.</p> <p><i>Chief patron:</i> Hugo</p> <p>An Act to require the Department of Taxation to promulgate regulations that clarify the methodology for determining deductible gross receipts attributable to business conducted in another state or a foreign country.</p> <p><i>Summary as introduced:</i></p> <p>Local license tax; methodology for deducting certain gross receipts. Requires the Department of Taxation to promulgate regulations that clarify the appropriate methodology for determining deductible gross receipts attributable to business conducted in another state or a foreign country. The bill requires the regulations to be based on previous Rulings of the Tax Commissioner and the decision of the Supreme Court of Virginia in <u>The Nielsen Company, LLC v. County Board of Arlington County</u>, 289 Va. 79 (2015). In that decision, the Court endorsed the Tax Commissioner's ruling to require manual accounting but to allow payroll apportionment in the event that manual accounting is impossible to use in order to calculate the deduction.</p>	7/1/2017	Applies only if the locality has a BPOL ordinance
OTHER TAXES		
<p>HB 1950 Cigarette tax, local; refund of returned tax stamps.</p> <p><i>Chief patron:</i> Peace</p> <p>An Act to amend and reenact § 58.1-3832 of the Code of Virginia, relating to local cigarette taxes; refund of returned tax stamps.</p> <p><i>Summary as introduced:</i></p> <p>Local cigarette tax. Requires localities that impose a local cigarette tax and require stamps as evidence of payment to provide a refund for any stamps that are returned to the locality.</p>	7/1/2017	Applies only if the locality has a cigarette tax ordinance
<p>HB 2169 Gas severance tax. -- <i>Chief patron:</i> Pillion SB 886 Gas severance tax. -- <i>Chief patron:</i> Chafin</p> <p>An Act to amend and reenact § 58.1-3713 of the Code of Virginia, relating to local gas severance tax; extension of sunset date.</p> <p><i>Summary as introduced:</i></p> <p>Gas severance tax. Extends the sunset date from January 1, 2018, to January 1, 2020, for the local gas severance tax that is dedicated to (i) the local Coal and Gas Road Improvement Fund, (ii) the Virginia Coalfield Economic Development Fund, and (iii) water, sewer, and natural gas systems and lines.</p>	7/1/2017	Applies only if the locality has a gas severance tax ordinance

<p>SB 1296 County food and beverage tax; referendum.</p> <p><i>Chief patron:</i> Vogel</p> <p>An Act to amend and reenact § 58.1-3833 of the Code of Virginia, relating to county food and beverage tax; referendum.</p> <p><i>Summary as passed:</i> County food and beverage tax; referendum. Prohibits a county from holding a new referendum on the levy of a food and beverage tax in the three calendar years subsequent to its electoral defeat, but only if such referendum is initiated by a resolution of the board of supervisors. The bill also requires the ballot for any such referendum to state the total tax, as a percentage, that would be imposed on food and beverage if the referendum were to pass, based upon a four percent food and beverage tax and any other ad valorem taxes applicable to the purchase of prepared food and beverage in the county.</p>	7/1/2017	Statewide Counties Only
CONTITUTIONAL OFFICERS		
<p>HB 1515 Circuit court clerks; electronic transfer of certain documents.</p> <p><i>Chief patron:</i> Leftwich</p> <p>An Act to amend and reenact §§ 58.1-3303, 58.1-3360.1, 58.1-3361, and 64.2-510 of the Code of Virginia, relating to electronic transfer of certain documents from circuit court clerks.</p> <p><i>Summary as passed House:</i> Circuit court clerks; electronic transfer of certain documents. Permits circuit court clerks to transfer electronically, or provide electronic access to, documents related to certain real property information to certain public officials.</p>	7/1/2017	Statewide
<p>HB 2364 Public officers; automatic suspension upon conviction of felony. -- <i>Chief patron:</i> Heretick SB 1487 Public officers; automatic suspension upon conviction of felony. -- <i>Chief patron:</i> Lewis</p> <p>An Act to amend and reenact § 24.2-236 of the Code of Virginia, relating to officers; automatic suspension upon conviction of felony.</p> <p><i>Summary as passed House:</i> Public officers; automatic suspension upon conviction of felony. Provides that any officer who is convicted of a felony under the laws of any state or the United States shall be automatically suspended upon such conviction, regardless of any appeals, pleadings, delays, or motions. The bill contains an emergency clause.</p> <p>EMERGENCY</p>	3/13/2017	Statewide

<p>SB 936 Constitutional officers; local leave benefits.</p> <p><i>Chief patron:</i> Favola</p> <p>An Act to amend and reenact § 15.2-1605 of the Code of Virginia, relating to constitutional officers; local leave benefits.</p> <p><i>Summary as passed Senate:</i> Employees of constitutional officers; local leave benefits. Authorizes constitutional officers who have contracted with a county or city to grant vacation and sick leave to their employees under the locality's benefits leave policy instead of the state required leave policy as long as the leave amounts are not less than the state required policy.</p>	7/1/2017	Statewide
OTHER PERTINENT LEGISLATION		
<p>SB 1309 Transacting business under assumed name; filing of certificate with clerk of SCC.</p> <p><i>Chief patron:</i> Norment</p> <p>An Act to amend and reenact §§ 59.1-69, 59.1-70, and 59.1-74 of the Code of Virginia and to amend the Code of Virginia by adding sections numbered 59.1-70.1 and 59.1-75.1, relating to transacting business under an assumed name; central filing of assumed or fictitious name certificates; penalty.</p> <p><i>Summary as passed:</i> Transacting business under assumed name; filing certificate; penalty. Prohibits a person from conducting or transacting business under any assumed or fictitious name unless such person files in the office of the clerk of the State Corporation Commission a certificate of assumed or fictitious name. The measure specifies the requirements for a certificate of assumed or fictitious name. A person who signs a certificate the person knows is false in any material respect with intent that the certificate be delivered to the Commission for filing is guilty of a Class 1 misdemeanor. The measure eliminates the existing requirement that a person conducting business under an assumed or fictitious name file a certificate with the clerk of the circuit court where the business is to be conducted. An enactment clause provides that the act shall be applied prospectively only, does not affect the validity of a certificate filed prior to the act's effective date, and does not require any person who was in compliance with applicable laws regarding fictitious or assumed name certificates prior to the act's effective date to take any action to comply with the act's requirements. The measure has a delayed effective date of May 1, 2019.</p>	5/1/2019	Statewide

<p>HB 2019 Transportation network company partner; vehicle registration repeal. <i>Chief patron:</i> Villanueva SB 1366 Transportation network company partner; vehicle registration repeal. <i>Chief patron:</i> Newman</p> <p>An Act to amend and reenact §§ 46.2-2000, 46.2-2001.3, 46.2-2011.20, 46.2-2011.29, and 46.2-2099.50 of the Code of Virginia, relating to transportation network company partner vehicle registration repeal; safety inspections.</p> <p><i>Summary as passed:</i> Transportation network company partner vehicle registration repeal. Removes the requirement that a transportation network company (TNC) partner register his personal vehicle for use as a TNC partner vehicle with the Department of Motor Vehicles. The bill allows the Department of State Police to recognize another state's annual motor vehicle safety inspection in lieu of a Virginia inspection and clarifies that a TNC partner can keep proof of inspection in or on the vehicle. The bill contains an emergency clause. This bill is identical to SB 1366. EMERGENCY</p>	3/27/2017	Statewide
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AIR BnB		
<p>SB 1578 Short-term rental of property; registration of persons offering property for rental.</p> <p><i>Chief patron:</i> Norment</p> <p>An Act to amend and reenact §§ 4.1-100, as it is currently effective and as it shall become effective, and 4.1-200 of the Code of Virginia and to amend the Code of Virginia by adding in Article 5 of Chapter 9 of Title 15.2 a section numbered 15.2-983, relating to the short-term rental of property.</p> <p><i>Summary as introduced:</i> Short-term rental of property. Authorizes a locality to adopt an ordinance requiring the registration of persons offering property for short-term rental. The bill defines "short-term rental" as the provision of a room or space suitable for sleeping or lodging for less than 30 consecutive days. Persons and entities already licensed related to the rental or management of property by the Board of Health, the Real Estate Board, or a locality would not be required to register. The bill authorizes localities to impose fees and penalties on persons who violate the registry ordinance or who offer short-term rentals that have multiple violations of state or federal laws or ordinances, including those related to alcoholic beverage control. The bill amends the Alcoholic Beverage Control (ABC) Act to clarify that certain property rented on a short-term basis is considered a bed and breakfast establishment for purposes of ABC licensing and that the exception from ABC licensing for serving alcoholic beverages to guests in a residence does not apply if the guest is a short-term lessee of the residence.</p>	1/1/2018	Statewide