

# Virginia Commissioners of the Revenue Association



## 2023 Legislative Agenda

Virginia's elected Commissioners of the Revenue are making every effort to better serve the Commonwealth and its citizens by providing efficient and innovative revenue administration at both the state and local levels.

In brief, we are committed to providing services to the citizens in each of our localities while simultaneously enhancing state and local revenues at little to no cost.

Legislative priorities for 2023:

1. Seek full restoration of 103 unfunded positions for those localities which chose to absorb the cuts of 2012 by eliminating individual positions as opposed to taking the cuts across the board.

[Item 75 #1h](#) Additional Funding for Commissioners of Revenue (Bulova)

[Item 75 #1s](#) Commissioners of Revenue (Petersen)

FY2023	\$0	FY2024	\$1,699,439
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2. Parity w/state employees on compensation.
3. Parity w/state employees on retiree health care credit.

Note that while State employees with at least 15 years of service are eligible for \$4 per year of service (up to 30 years, at a max of \$120 per month of credit) constitutional officers and their employees are eligible for only \$1.50 per year of service (up to 30 years, at a max of \$45 per month of credit) (see § 51.1-1400 and § 51.1-1403).

## 2023 Legislation

### SUPPORT

[HB1368](#) (Coyner) *Advisory Tax Administration Commission; established, report.*

[HB 1442](#) (McNamara) *Transient Occupancy Taxes. Administration.*

[HB 1789](#) (Filler-Corn) *Retired Constitutional Officers & Employees Health Care Credit.*

[Item 483 #3h](#) FY2023 \$0 FY2024 \$5,434,000

[HB2243](#) (Cordoza) *Assist Localities with Translation of Essential Documents by establishing a special Fund.*

[HB 2340](#) (Bulova) *Motor vehicle license plates and registration; taxes and penalties*

Increases from \$100 to \$150 the maximum license tax that a locality is authorized to impose annually on motor vehicles not displaying current license plates. The bill increases from up to \$250 to up to \$350 the penalty on motor vehicles that have not been registered within the first 30 days of an individual's residency in the Commonwealth.

(over)

We support this bill as it will help reduce the number vehicle owners who maintain out of state vehicle registrations to avoid 1) Virginia's Vehicle Safety Inspection requirements; 2) Virginia registration fees, and local personal property taxes.

## **OPPOSE**

[HB 1402](#) (March) *Personal property taxes; valuation.*

Requires that tangible personal property employed in a trade or business and machinery and tools be valued for taxation using the federal Modified Accelerated Cost Recovery System (MACRS) of depreciation in place of the valuation methods currently in effect.

*We oppose this bill as 1) it limits the authority granted to local assessing official to determine the method of assessment; 2) MACRS does not reflect fair market value; and, 3) it would have a negative fiscal impact on local tax revenues. This last item (#3) is the position of VML/VaCO*

[HB 1920](#) (Hope) *License taxes and fees, local; exemptions, blog or online website.*

Prohibits a county, city, or town from imposing a license fee or levying a license tax on the privilege or right of publishing any blog or online website containing daily or regularly updated news, feature articles, advertisements, or correspondence, provided that such blog or online website employs full time at least one journalist who has a Virginia taxable income.

We oppose this bill as it does not adequately define news blog or website. The lack of definition will create a significant administration burden on local assessing officials.

[HB 1896](#) (Byron) and [SB 1182](#) (Ruff) *Banks; payment of franchise tax.*

Establishes a process, as of January 1, 2024, whereby banks having \$40 billion or greater in Virginia deposits based on the June 30 FDIC deposit market share report of the preceding tax year may elect to pay the bank franchise tax to the Department of Taxation and are bound by such election for 10 years absent permission from the Tax Commissioner. The bill directs the Department of Taxation, as of January 1, 2025, to apportion 80 percent of the bank franchise tax revenue from banks making such an election to localities through the newly created Local Bank Franchise Tax Fund. *Removes local administration of the tax and will likely result in substantially lower bank franchise receipts for a significant number of localities.*

[HB2281](#) (Shin) Expands the authority of the Virginia Conflict of Interest and Ethics Advisory Council to conduct investigations on alleged violations of the various Conflict of Interests Acts which may be initiated by any citizen in the Commonwealth.

We oppose this bill as it changes the Council from an informative and educational body to an adversarial body removing authority for such violations from existing investigative bodies.

(January 22, 2023)