

[HB 10](#) - Real property tax; classification of land and improvements.

Chief Patron: McNamara

Title

A BILL to amend and reenact § 58.1-3221.1 of the Code of Virginia, relating to real property tax; classification of land and improvements.

ASSOCIATION POSITION:

SUMMARY AS INTRODUCED

Real property tax; classification of land and improvements. Reclassifies improvements to real property as a separate class of real property and authorizes any locality to impose a real property tax on improvements to real property at a tax rate that is different than the rate applied to the land on which such improvements are located. Such rate may exceed, equal, or be less than the tax imposed upon the land on which the improvements are located.

Under current law, such classification is allowed only for the Cities of Fairfax, Poquoson, Richmond, and Roanoke. For the Cities of Fairfax, Richmond, and Roanoke, the rate applied shall not exceed the rate applied to land under current law. The City of Poquoson is currently the only locality authorized to impose a rate in excess of the rate applied to land. The bill applies only to taxable years beginning on and after July 1, 2026.

First House Committee Referred: Finance

[HB 68](#) - Real property; effect on rate when assessment results in tax increase, consideration of inflation.

Chief Patron: McNamara

Title

A BILL to amend and reenact §§ 58.1-3321 and 58.1-3330 of the Code of Virginia, relating to local taxation of real property; effect on rate when assessment results in tax increase; consideration of inflation.

ASSOCIATION POSITION:

SUMMARY AS INTRODUCED

Local taxation of real property; effect on rate when assessment results in tax increase; consideration of inflation. Provides that, in determining a locality's total real property tax levies for purposes of determining the rate of levy that the locality shall impose upon such properties in order to produce no more than 101 percent of the previous year's real property tax levies, such real property assessed value shall be reduced by the greater of (i) the change in the United States Average Consumer Price Index for all items, all urban consumers (CPI-U), as published by the Bureau of Labor Statistics for the U.S. Department of Labor, since the fiscal year of the last assessment or (ii) zero.

First House Committee Referred: Finance

[HB 72](#) - Real property tax; classification of land and improvements in City of Fredericksburg.

Chief Patron: Cole, J.G.

Title

A BILL to amend and reenact § 58.1-3221.1 of the Code of Virginia, relating to real property tax; classification of land and improvements; City of Fredericksburg.

ASSOCIATION POSITION:FYI Only

SUMMARY AS INTRODUCED

Real property tax; classification of land and improvements; City of Fredericksburg. Authorizes the City of Fredericksburg to levy a tax on the improvements to real property at a different rate than the tax imposed upon the land on which it is located. The rate levied on the improvements to real property shall not be zero and shall not exceed the rate of tax on the land on which it is located.

First House Committee Referred: Finance

[HB 167](#) - Tax exemptions; Confederacy organizations.

Chief Patron: Askew

Title

A BILL to amend and reenact §§ 58.1-811, as it is currently effective and as it may become effective, and 58.1-3607 of the Code of Virginia and to repeal §§ 58.1-3650.31 and 58.1-3650.716 of the Code of Virginia, relating to tax exemptions; Confederacy organizations.

ASSOCIATION POSITION: WATCH

SUMMARY AS INTRODUCED

Tax exemptions; Confederacy organizations. Eliminates the exemption from state recordation taxes for the Virginia Division of the United Daughters of the Confederacy and eliminates the tax-exempt designation for real and personal property owned by the Virginia Division of the United Daughters of the Confederacy, the General Organization of the United Daughters of the Confederacy, the Confederate Memorial Literary Society, the Stonewall Jackson Memorial, Incorporated, the Virginia Division, Sons of Confederate Veterans, and the J.E.B. Stuart Birthplace Preservation Trust, Inc. The bill contains technical amendments.

First House Committee Referred: Finance

[HB 175](#) - Real property; tax exemption, surviving spouses of members of Armed Forces who died in line of duty.

Chief Patron: Feggans

Title

A BILL to amend and reenact § 58.1-3219.9 of the Code of Virginia, relating to real property tax exemption; surviving spouses of members of the Armed Forces who died in the line of duty.

ASSOCIATION POSITION:

SUMMARY AS INTRODUCED

Real property tax exemption; surviving spouses of members of the Armed Forces who died in the line of duty. Authorizes localities by ordinance to provide a total exemption from real property taxes regardless of assessed value beginning in taxable year 2026 for surviving spouses of members of the Armed Forces who died in the line of duty. Under law effective January 1, 2026, a total exemption is only allowed for such surviving spouses for those dwellings in the locality with assessed values in the most recently ended tax year that are not in excess of the average assessed value for such year of a dwelling situated on property that is zoned as single family residential.

First House Committee Referred: Finance

[HB 261](#) - Real property; tax classification of land and improvements in City of Newport News.

Chief Patron: Simonds

Title

A BILL to amend and reenact § 58.1-3221.1 of the Code of Virginia, relating to real property tax; classification of land and improvements; City of Newport News.

ASSOCIATION POSITION:FYI Only

SUMMARY AS INTRODUCED

Real property tax; classification of land and improvements; City of Newport News. Authorizes the City of Newport News to levy a tax on the improvements to real property at a different rate than the tax imposed upon the land on which it is located. The rate levied on the improvements to real property shall not be zero and shall not exceed the rate of tax on the land on which it is located.

First House Committee Referred: Finance

[HB 269](#) - Motorized mobility vehicles; established as a new class of vehicle, civil penalties.

Chief Patron: Reid

Title

A BILL to amend and reenact §§ 15.2-1720, 46.2-100, 46.2-600, 46.2-613, 46.2-629, 46.2-662, 46.2-694, as it is currently effective and as it may become effective, 46.2-705, 46.2-711, 46.2-714, 46.2-715, 46.2-

720, 46.2-721, 46.2-904.1, 46.2-906.1, and 46.2-914 of the Code of Virginia and to amend the Code of Virginia by adding in Chapter 10 of Title 46.2 an article numbered 24, consisting of sections numbered 46.2-1193 through 46.2-1198, relating to motorized mobility vehicles; civil penalties.

ASSOCIATION POSITION: FYI Only

SUMMARY AS INTRODUCED

Motorized mobility vehicles; civil penalties. Establishes a new class of vehicle, the motorized mobility vehicle, as defined in the bill, and establishes requirements for the sale, operation, registration, and titling of such vehicles. The bill requires the Department of Motor Vehicles to establish regulations governing motorized mobility vehicle safety training courses and to implement an educational outreach program to inform the public about the requirements of the bill. The bill, other than the educational outreach program, has a delayed effective date of July 1, 2027.

[HB 282](#) - Real property tax; classification of land and improvements, Charlottesville Falls Church

Chief Patron: Callsen

Title

A BILL to amend and reenact § 58.1-3221.1 of the Code of Virginia, relating to real property tax; classification of land and improvements; Charlottesville and Falls Church.

ASSOCIATION POSITION: FYI Only

SUMMARY AS INTRODUCED

Real property tax; classification of land and improvements; Charlottesville and Falls Church. Authorizes the Cities of Charlottesville and Falls Church to levy a tax on the improvements to real property at a different rate than the tax imposed upon the land on which it is located. The rate levied on the improvements to real property shall not be zero and shall not exceed the rate of tax on the land on which it is located.

[HB 292](#) - Agricultural and forestal districts advisory committee; membership.

Chief Patron: Anderson

Title

A BILL to amend and reenact § 15.2-4304 of the Code of Virginia, relating to agricultural and forestal districts advisory committee; membership.

ASSOCIATION POSITION:

SUMMARY AS INTRODUCED

Agricultural and forestal districts advisory committee; membership. Allows the commissioner of revenue or the local government's chief property assessment officer to have a representative from his office serve on his behalf on the agricultural and forestal districts advisory committee.

[HB 345](#) - Real property tax; partial exemption for certain commercial and industrial structures.

Chief Patron: McLaughlin

Title

A BILL 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.

ASSOCIATION POSITION:

SUMMARY AS INTRODUCED

Real property tax; partial exemption for certain commercial and industrial structures. Prohibits the application of a partial real property tax exemption to the demolition or replacement of an existing structure when such structure is a registered Virginia landmark or is determined by the Department of Historic Resources to contribute to the significance of a registered historic district. Current law prohibits the application of an exemption to the demolition or replacement of an existing structure when such structure is a registered Virginia landmark or is determined to contribute to the significance of a registered historic landmark.

[HB 550](#) - Admissions tax in counties; retail sales and use tax dedicated to promotion of tourism.

Chief Patron: Anderson

Title

A BILL to amend and reenact § 58.1-3818 of the Code of Virginia, relating to admissions tax in counties; retail sales and use tax dedicated to promotion of tourism.

ASSOCIATION POSITION:

SUMMARY AS INTRODUCED

Admissions tax in counties; retail sales and use tax dedicated to promotion of tourism. Allows a county that imposes a state sales and use tax of at least one percent that is at least partially dedicated to the promotion of tourism to levy a tax on admissions for attendance at an event. Under current law, any county may levy a tax on admissions for attendance at an event except such counties that impose a state sales and use tax of at least one percent that is at least partially dedicated to the promotion of tourism.

[HB 557](#) - Tangible personal property tax; electric landscaping equipment.

Chief Patron: Reaser

Title

A BILL to amend and reenact § 58.1-3506 of the Code of Virginia, relating to tangible personal property tax; electric landscaping equipment.

ASSOCIATION POSITION:

SUMMARY AS INTRODUCED

Tangible personal property tax; electric landscaping equipment. Establishes a separate classification of tangible personal property for electric-powered landscaping equipment employed in a trade or business and used to maintain commercial, public, or private gardens, lawns, trees, shrubs, or other plants, including lawn mowers, edgers, trimmers, leaf blowers, and chainsaws. Such property may be taxed by a locality at a rate not to exceed that applied to the general class of tangible personal property.

[HB 563](#) - Personal property taxation; classifications; major energy consumer equipment upgrades.

Chief Patron: Reid

Title

A BILL to amend and reenact § 58.1-3506 of the Code of Virginia, relating to personal property taxation; classifications; major energy consumer equipment upgrades.

ASSOCIATION POSITION:

SUMMARY AS INTRODUCED

Personal property taxation; classifications; major energy consumer equipment upgrades. Establishes a special classification for generating equipment purchased on and after July 1, 2026, for the purpose of upgrading the backup or standby power systems of a major energy consumer (i) from equipment that does not meet Tier 2 emission standards to selective catalytic reduction generators that meet or exceed Tier 4 emission standards or (ii) to meet New Source Performance Standards as enforced by the Department of Environmental Quality, as applicable. The bill provides that such equipment may be taxed at a lower rate than is applied to other tangible personal property.

[HB 566](#) - Tangible personal property tax relief; rate of taxation.

Chief Patron: McNamara

Title

A BILL to amend and reenact § 58.1-3524 of the Code of Virginia, relating to tangible personal property tax relief; rate of taxation.

ASSOCIATION POSITION:

SUMMARY AS INTRODUCED

Tangible personal property tax relief; rate of taxation. Requires, for tax year 2027 and all tax years thereafter, each county, city, or town to reduce its local tax rate on qualifying vehicles to no greater than \$0.000001 per \$100 of the eligible assessed value of the qualifying vehicle. The bill defines "eligible assessed value" as \$5,000 of the assessed value of a qualifying vehicle. For tax year 2028 and all tax years thereafter, for any year in which the revenues of a county, city, or town grow by five percent or more, the bill provides that the eligible assessed value applied in such county, city, or town shall increase by an additional \$5,000 until such time that the eligible assessed value equals \$20,000.

[HB 703](#) - Sales and use tax; food purchased for human consumption and essential personal hygiene products.

Chief Patron: Tata

Title

A BILL to amend and reenact §§ 58.1-603.1, as it is currently effective and as it may become effective, 58.1-603.2, 58.1-604.01, as it is currently effective and as it may become effective, 58.1-605.1, 58.1-606.1, and 58.1-611.1 of the Code of Virginia, relating to sales and use tax; food purchased for human consumption and essential personal hygiene products.

ASSOCIATION POSITION: WATCH

SUMMARY AS INTRODUCED

Sales and use tax; food purchased for human consumption and essential personal hygiene products. Eliminates the remaining one percent local sales and use tax that is imposed on food purchased for human consumption and essential personal hygiene products. Under current law, no other sales and use tax is applied to such products. The bill requires an equivalent amount of revenue to be distributed to cities and counties on a monthly basis in compensation for the lost tax revenue. The bill has a delayed effective date of January 1, 2027.

[HB 854](#) - Real property tax; local classification or designation for property.

Chief Patron: Cousins

Title

A BILL to amend and reenact §§ 58.1-3603 and 58.1-3651 of the Code of Virginia, relating to real property tax; local classification or designation for portion of property.

ASSOCIATION POSITION:WATCH

SUMMARY AS INTRODUCED

Real property tax; local classification or designation for property. Clarifies that, in accordance with the Constitution of Virginia and by adoption of a local ordinance, any locality may by designation or classification exempt from real or personal property taxes, or both, the real or personal property, or both, owned by an ownership entity of which a controlling interest of the managing member or general partner of such ownership entity is held, directly or indirectly, by one or more nonprofit organizations, notwithstanding any for-profit ownership interests, that is used for religious, charitable, patriotic, historical, benevolent, cultural, or public park and playground purposes. The bill requires such local ordinance to stipulate any suspension or termination of such exemption in such ordinance.

The bill also provides that any rental income or other sources of income received from any portion of real property that is used for charitable or benevolent purposes in accordance with such constitutional designation or classification shall not be considered a source of revenue or profit for which tax shall be assessed. Finally, the bill provides that the purpose of the bill is to stimulate public purpose projects by clarifying that localities have such authority and provides that the provisions of the bill are declaratory of existing law.

[HB 956](#) - License taxes; deduction for out-of-state receipts.

Chief Patron: Watts

Title

A BILL to amend and reenact § 58.1-3732 of the Code of Virginia, relating to license taxes; deduction for out-of-state receipts.

ASSOCIATION POSITION:

SUMMARY AS INTRODUCED

License taxes; deduction for out-of-state receipts. Provides that, for purposes of the license tax deduction for out-of-state receipts, such receipts shall be determined based upon the facts and circumstances of the taxpayer's business operation, without regard to the amount of income, receipts, or revenue ultimately computed as taxable under the methodology used by the state or country to which such receipts are attributable. The bill defines "income or other tax based upon income" as a net income tax, as defined in federal law, or, if the state or country to which such receipts are attributable does not have a net income tax as defined in federal law, a business activity tax such state or country does have, the measure of which is based in whole or in part on gross or net income or receipts.

[HB 960](#) - Personal property taxes; valuation.

Chief Patron: Watts

Title

A BILL to amend and reenact § 58.1-3503 of the Code of Virginia, relating to personal property taxes; valuation.

ASSOCIATION POSITION:

SUMMARY AS INTRODUCED

Personal property taxes; valuation. Requires that tangible personal property employed in a trade or business, other than such property set out for different valuation in current law, shall be valued by means of a percentage or percentages of original cost to the taxpayer. Current law requires such property to be valued only by means of a percentage or percentages of original cost. The bill has a delayed effective date of July 1, 2027.

[HB 1129](#) - Local motor vehicle licenses and motor vehicle registrations; failure to pay certain taxes, fees, and parking citations.

Chief Patron: Walker

Title

A BILL to amend and reenact § 46.2-752 of the Code of Virginia, relating to local motor vehicle licenses and motor vehicle registrations; failure to pay certain taxes, fees, and parking citations.

ASSOCIATION POSITION FYI Only

SUMMARY AS INTRODUCED

Local motor vehicle licenses and motor vehicle registrations; failure to pay certain taxes, fees, and parking citations. Provides that certain suspension of local motor vehicle licenses and motor vehicle registrations for failure to pay certain taxes, fees, and parking citations apply only to vehicles for which such unpaid taxes, fees, and citations are assessed and owed. Under current law, such suspensions are permitted for unpaid taxes, fees, and citations on any vehicle owned by the person who is liable for such a tax, fee, or citation.

[HB 1143](#) - Registration decals; discontinued.

Chief Patron: Austin

SUMMARY AS INTRODUCED

Registration decals; discontinued. Discontinues the requirement for and issuance of decals displaying the expiration month and year of motor vehicle registration to be displayed on license plates. The bill also removes the requirement for the Department of Motor Vehicles to issue appropriately designated license plates for motor vehicles held for rental. The bill does not eliminate existing requirements that vehicles are to be registered.

[HB 1199](#) - Local license taxes; authority to exempt; businesses regulated by boards within the Department of Health Professions.

Chief Patron: Scott, P.A.

Title

A BILL to amend and reenact § 58.1-3703 of the Code of Virginia, relating to local license taxes; authority to exempt; businesses regulated by boards within the Department of Health Professions.

ASSOCIATION POSITION:

SUMMARY AS INTRODUCED

Local license taxes; authority to exempt; businesses regulated by boards within the Department of Health Professions. Authorizes localities to exempt any businesses, trades, professions, and occupations regulated by boards within the Department of Health Professions from the license tax.

[HB 1205](#) - Motor vehicles; insurance; highway use fee; tangible personal property tax relief for certain vehicles.

Chief Patron: Oates

Title

A BILL to amend and reenact §§ 38.2-517, 46.2-770, 46.2-771, 46.2-772, and 58.1-3524 of the Code of Virginia, relating to motor vehicles; insurance, highway use fee, and tangible personal property tax relief; application to certain vehicles.

ASSOCIATION POSITION:

SUMMARY AS INTRODUCED

Motor vehicles; insurance; highway use fee; tangible personal property tax relief for certain vehicles. Removes the highway use fee for fuel-efficient vehicles, and maintains the same highway use fee for electric vehicles and alternative fuel vehicles.

The bill removes the prohibition on motor vehicle insurers establishing a repair facility network. Under current law, insurers are prohibited from requiring an insured or claimant to utilize designated replacement or repair facilities or services as a prerequisite to settling or paying any claim arising under a policy or policies of insurance.

The bill also directs each county, city, or town that receives annual reimbursements from the Commonwealth for providing tangible personal property tax relief on qualifying vehicles to, beginning in tax year 2027, ensure that after first reimbursing certain tax attributable to qualifying vehicles leased by active duty members of the United States military, as is currently required by law, (i) no qualifying vehicle owned by an individual with an annual household income in excess of \$200,000 receives any reimbursement for such vehicle and (ii) the remainder of the reimbursement provided to such locality is distributed based on a sliding scale for household incomes of residents of such locality, adopted by an ordinance of the governing body of such locality, as described in the bill.

[HJ 14](#) - Constitutional amendment; tax exemption for motor vehicles owned for personal, noncommercial use.

Chief Patron: Griffin

Title

Proposing an amendment to Section 6 of Article X of the Constitution of Virginia, relating to personal property tax; exemption for motor vehicles owned for personal, noncommercial use.

ASSOCIATION POSITION:

SUMMARY AS INTRODUCED

Constitutional amendment (first reference); personal property tax; exemption for motor vehicles owned for personal, noncommercial use. Exempts one motor vehicle used for personal, noncommercial purposes from state and local taxes. The amendment specifies that such exemption is only applicable (i) for automobiles, motorcycles, and pickup trucks and (ii) on and after the date the motor vehicle is acquired or the effective date of the amendment, whichever is later, and is not applicable for any period of time prior to the effective date of the amendment.

First House Committee Referred: Privileges and Elections

[HJ 34](#) - Qualifying vehicles, certain; TAX to study options for abolishing personal property taxation.

Chief Patron: Franklin

Title

Requesting the Department of Taxation to study options for abolishing the personal property taxation of certain qualifying vehicles. Report.

ASSOCIATION POSITION:

SUMMARY AS INTRODUCED

Study; Department of Taxation; options for abolishing the personal property taxation of certain qualifying vehicles; report. Directs the Department of Taxation to study options for abolishing the personal property taxation of certain qualifying vehicles and to evaluate alternative local revenue sources in order to account for the shortfall in local tax revenues that will result from the abolition of such tax.

[SB 8](#) - Real property tax; exemption surviving spouses of members of armed forces who died in line of duty.

Chief Patron: DeSteph

Title

A BILL to amend and reenact § 58.1-3219.9 of the Code of Virginia, relating to real property tax exemption; surviving spouses of members of the armed forces who died in the line of duty.

ASSOCIATION POSITION: WATCH

SUMMARY AS INTRODUCED

Real property tax exemption; surviving spouses of members of the armed forces who died in the line of duty. Authorizes localities to provide, for tax years beginning on and after January 1, 2026, up to a total exemption from real property taxes for dwellings owned by surviving spouses of members of the armed forces that are situated on property zoned as single family residential. Under current law, a total exemption is only allowed for such dwellings with assessed values in the most recently ended tax year that are not in excess of the average assessed value for such year of a dwelling situated on property that is zoned as single family residential. **First Senate Committee Referred:** Finance and Appropriations

[SB 9](#) - RS & UT; food for human consumption and essential personal hygiene products, delayed effective date.

Chief Patron: Suetterlein

Title

A BILL to amend and reenact §§ 58.1-603.1, as it is currently effective and as it may become effective, 58.1-603.2, 58.1-604.01, as it is currently effective and as it may become effective, 58.1-605.1, 58.1-606.1, and 58.1-611.1 of the Code of Virginia, relating to sales and use tax; food purchased for human consumption and essential personal hygiene products.

ASSOCIATION POSITION:

SUMMARY AS INTRODUCED

Sales and use tax; food purchased for human consumption and essential personal hygiene products. Eliminates the remaining one percent local sales and use tax that is imposed on food purchased for human consumption and essential personal hygiene products. Under current law, no other sales and use tax is applied to such products. The bill requires an equivalent amount of revenue to be distributed to cities and counties on a monthly basis in compensation for the lost tax revenue. The bill has a delayed effective date of January 1, 2027.

First Senate Committee Referred: Finance and Appropriations

[SB 93](#) - Data centers; taxes on banks that are tenants of a center.

Chief Patron: Roem

Title

A BILL to amend and reenact §§ 58.1-609.3 and 58.1-1203 of the Code of Virginia, relating to bank franchise tax; retail sales and use tax; tangible personal property tax; data centers.

ASSOCIATION POSITION:

SUMMARY AS INTRODUCED

Bank franchise tax; retail sales and use tax; tangible personal property tax; data centers. Provides that on and after July 1, 2026, if any tenant of a data center is a bank, then the retail sales and use tax

exemption for data center computer equipment shall not apply to the data center operator and any tenants of the data center.

The bill also adds computer equipment and peripherals of all banks used in a data center to personal property that is taxable for banks subject to the bank franchise tax in lieu of most other taxes.

First Senate Committee Referred: Finance and Appropriations

SB 181 - Real property tax; partial exemption for repurposing underutilized structures for residential use; local incentives.

Chief Patron: Williams Graves

Title

A BILL to amend and reenact § 58.1-3220 of the Code of Virginia and to amend the Code of Virginia by adding a section numbered 58.1-3221.7 and by adding in Chapter 38 of Title 58.1 an article numbered 14, consisting of a section numbered 58.1-3855, relating to real property tax; partial exemption for repurposing underutilized structures for residential use; local incentives.

ASSOCIATION POSITION:

SUMMARY AS INTRODUCED

Real property tax; partial exemption for repurposing underutilized structures for residential use; local incentives. Permits localities to provide partial real estate taxation exemptions for converted real property where such conversion establishes a residential structure that has set aside at least 30 percent of the structure for households with a per capita income at or below 80 percent of the locality's median income or where the building owner is subject to an agreement with the Commonwealth or the locality regarding the provision of affordable housing. Localities have discretion to determine (i) whether a converted building qualifies for the partial exemption, (ii) any additional restrictions and conditions, (iii) whether the exemption is the amount equal to the increase in assessed value or a percentage of such increase resulting from the repurposing of the structure, and (iv) the length of time the exemption will run with the land, not to exceed 15 years. The local governing body or its designee shall provide written notification of the partial exemption to the property owner. The bill also permits localities to grant tax incentives or provide regulatory flexibility to qualifying converted real property.

First Senate Committee Referred: Finance and Appropriations