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# VIRGINIA STATE BUDGET

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2003 Session

## Budget Bill - HB1400 (Introduced)

Bill Order » Part 4: General Provisions » Item 4-12.00

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### Item 4-12.00

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#### § 4-12.00 EFFECTIVE DATE

~~This act shall become effective July 1, 2002.~~ *This act is effective on its passage, as provided in § 1-12 C, Code of Virginia.*

#### 3. That §§ 58.1-301 of the Code of Virginia is amended and reenacted as follows:

§ 58.1-301. Conformity of terms to Internal Revenue Code.

A. Any term used in this chapter shall have the same meaning as when used in a comparable context in the laws of the United States relating to federal income taxes, unless a different meaning is clearly required.

B. Any reference in this chapter to the laws of the United States relating to federal income taxes shall mean the provisions of the Internal Revenue Code of 1954, and amendments thereto, and other provisions of the laws of the United States relating to federal income taxes, as ~~the same may be or become effective at any time or from time to time they existed on December 31, 2002, except for:~~

*1. the special depreciation allowance for certain property provided for under § 168(k) of the Internal Revenue Code; and*

*2. the carryback of certain net operating losses for 5 years under § 172(b)(1)(H) of the Internal Revenue Code.*

#### 4. That the provisions of the third enactment of this act shall apply to taxable years beginning on and after January 1, 2001.

#### 5. That § 58.1-615 of the Code of Virginia is amended and reenacted as follows:

§ 58.1-615. Returns by dealers.

A. Every dealer required to collect or pay the sales or use tax shall, on or before the twentieth day of the month following the month in which the tax shall become effective, transmit to the Tax Commissioner a return showing the gross sales, gross proceeds, or cost price, as the case may be, arising from all transactions taxable under this chapter during the preceding calendar month, and thereafter a like return shall be prepared and transmitted to the Tax Commissioner by every dealer on or before the twentieth day of each month, for the preceding calendar month. In the case of dealers regularly keeping books and accounts on the basis of an annual period which varies fifty-two to fifty-three weeks, the Tax Commissioner may make rules and regulations for reporting consistent with such accounting period.

Notwithstanding any other provision of this chapter, a dealer may be required by the Tax Commissioner to file sales or use tax returns on an accounting period less frequent than monthly when, in the opinion of the Tax Commissioner, the administration of the taxes imposed by this chapter would be enhanced. If a dealer is required

to file other than monthly, each such return shall be due on or before the twentieth day of the month following the close of the period. Each such return shall contain all information required for monthly returns.

A sales or use tax return shall be filed by each registered dealer even though the dealer is not liable to remit to the Tax Commissioner any tax for the period covered by the return.

*B.1. In addition to the amounts required under the provisions of this section and § 58.1-616, any dealer as defined by § 58.1-612 or direct payment permit holder pursuant to § 58.1-624, with taxable sales and purchases of \$1,300,000 or greater for the twelve-month period beginning July 1, and ending June 30 of the immediately preceding calendar year, shall be required to make a payment equal to 90 percent of the sales and use tax liability for the previous June. Such tax payments shall be made on or before the 30th day of June, if payment is made by electronic funds transfer, as defined in § 58.1-202.1. If payment is made by other than electronic funds transfer, such payment shall be made on or before the 25th day of June. For purposes of this provision, taxable sales or purchases shall be computed without regard to the number of certificates of registration held by the dealer. Every dealer or direct payment permit holder shall be entitled to a credit for the payment under this subsection on the return for June of the current year due July 20. The provisions of this subsection shall not apply to persons who are required to file only a Form ST-7, Consumer User Tax Return.*

*2. In lieu of the penalties provided in § 58.1-635, except with respect to fraudulent returns, failure to make a timely payment or full payment of the sales and use tax liability as provided in this subsection shall subject the dealer or direct payment permit holder to a penalty of six percent of the amount of tax underpayment that should have been properly paid to the Tax Commissioner. Interest will accrue as provided in § 58.1-15. The payment required by this subsection shall become delinquent on the first day following the due date set forth in this subsection if not paid.*

**6. Payments under the fifth enactment shall be made in accordance with procedures established by the Tax Commissioner and shall be considered general fund revenue, except with respect to those revenues required to be distributed under the provisions of §§ 58.1-605 and 58.1-606.**

**7. The State Comptroller shall make no distribution of the collections in accordance with § 58.1-638 until the Governor determines each year that funds are available to transfer such collections. If the Governor determines that funds are available to transfer such collections in accordance with § 58.1-638 he shall direct the State Comptroller to make such distribution. The Governor will report such determination to the Chairmen of the Senate Finance, House Finance and House Appropriations Committees in August of each year.**

**8. That the provisions of the fifth, sixth and seventh enactments of this act shall be effective on June 1, 2002.**

**9. It is the intent of the General Assembly that the payment requirement contained in the fifth enactment be phased out beginning in fiscal year 2006. The payment amount for June 2006 should be reduced to 85 percent of the sales and purchases for the previous June and the payment amount should continue to be reduced until fully eliminated not later than June 2012.**

**10. Effective July 1, 2004, the distribution of the collections in accordance with § 58.1-638 shall no longer be governed by the seventh enactment.**

**11. That the provisions of the first and second enactments of this act shall expire at midnight on June 30, 2004, pursuant to § 4-11.00 of this act. The provisions of the third through tenth enactments of this act shall have no expiration date.**

**12. That this act is effective on its passage as provided in subsection C of § 1-12 of the Code of Virginia, pursuant to § 4-12.00 of this act.**

