2004 Special Session I

Budget Bill - HB5001 (Chapter 4)

Bill Order » Office of Finance » Item 288

Department of Taxation

Item 288	First Year - FY2005	Second Year - FY2006
Public/Private Partnership (74700)	**$11,314,222**	**$10,382,389**
Public/Private Partnerships for Revenue Administration (74702)	$11,314,222	$10,382,389
Fund Sources:		
Special	$11,314,222	$10,382,389

Authority: § 58.1-202.2, Code of Virginia.

1. Beginning July 1, 2004, no additional compliance revenue shall be deposited into the Technology Partnership Fund under the provisions of § 58.1-202.2, Code of Virginia, and contract #161-920-04 as amended. However, balances in the Technology Partnership Fund shall be reserved for such payments as may be due to the private partner. The Tax Commissioner may draw from such Fund as often as necessary to make contractually required payments to the private partner. After the final payment under the contract, any residual balances in the Fund shall be transferred by the State Comptroller to the appropriate general, nongeneral or local fund.

2.a. Pursuant to § 58.1-202.2, Code of Virginia, the Tax Commissioner is hereby authorized, through the Department of General Services in accordance with the Virginia Public Procurement Act, to enter into public/private partnership contracts to finance technology needs and related goods and services. Compensation for all goods and services to be provided under a contract shall be paid exclusively from increased revenue, including, without limitation, denied refunds and reduced interest on refunds attributable to the revenue generating portion of the goods and services provided by the contractor, and need not otherwise be computed with reference to such increased revenue.

b. Provided however, that the scope and cost of any public/private partnership contract authorized by § 58.1-202.2, Code of Virginia, shall be reported to the Chairmen of the Senate Finance and House Appropriations Committees prior to execution of said contract.

c. The Tax Commissioner shall annually or more frequently determine the total amount of increased revenue attributable to such technology. Annually, the Tax Commissioner shall report to the Governor and the General Assembly on all such agreements and revenue impact. The State Comptroller is hereby authorized to deposit annually or more frequently such increased revenues attributable to such technology into a nonreverting Technology Partnership Fund, from which the private partner shall be paid. The Tax Commissioner may draw from such Fund as often as necessary to make contractually required payments to private partners. At the end of the contracts any balance in the Fund in excess of potential payment obligations under such contracts shall be deposited to the appropriate general, nongeneral, or local fund.

d. Notwithstanding the provisions of § 58.1-202.2, Code of Virginia, the Tax Commissioner is authorized to expend up to ten percent of the moneys deposited into the Fund to support expenses incurred by the Department attributable to the public-private partnership.

e. The Tax Commissioner shall submit to the Department of Planning and Budget annually by August 1, a spending plan for the Department's share of the Fund. A copy of the spending plan shall be submitted to the Chairmen of the Senate Finance and House Appropriations Committees by August 1 of each year. The Department of Planning and Budget shall allot the Department's share of the Fund quarterly, subject to the prior approval of the Department's spending plan. The Department of Planning and Budget shall monitor compliance with the Department's approved spending plan.