2018 Special Session I

# Budget Bill - HB5001 (Introduced)



Retail Sales and Use Tax Exemption for Research and Development

## Item 3-5.12

§ 3-5.12 RETAIL SALES AND USE TAX EXEMPTION FOR RESEARCH AND DEVELOPMENT

A. Notwithstanding any other provision of law or regulation, and beginning July 1, 2016, the retail sales and use tax exemption provided for in subdivision 5 of § 58.1-609.3 of the Code of Virginia, applicable to tangible personal property purchased or leased for use or consumption directly and exclusively in basic research or research and development in the experimental or laboratory sense, shall apply to such property used in a federally funded research and development center, regardless of whether such property is used by the purchaser, lessee, or another person or entity.

B. Nothing in this section shall be construed to relieve any federally funded research and development center of any liability for retail sales and use tax due for the purchase of tangible personal property pursuant to the law in effect at the time of the purchase.