2024 Session

Budget Bill - HB30 (Introduced)

Sunset Dates for Income Tax Credits and Sales and Use Tax Exemptions

Item 3-5.13

§ 3-5.13 SUNSET DATES FOR INCOME TAX CREDITS AND SALES AND USE TAX EXEMPTIONS

A. Notwithstanding any other provision of law the General Assembly shall not advance the sunset date on any existing sales tax exemption or tax credit beyond June 30, 2025. Any new sales tax exemption or tax credit enacted by the General Assembly after the 2019 regular legislative session, but prior to the 2024 regular legislative session, shall have a sunset date of not later than June 30, 2025. However, this requirement shall not apply to tax exemptions administered by the Department of Taxation under § 58.1-609.11, relating to exemptions for nonprofit entities nor shall it apply to exemptions or tax credits with sunset dates after June 30, 2022, enacted or advanced during the 2016 Session of the General Assembly, or to the Motion Picture Production Tax Credit under § 58.1-439.12:03, Code of Virginia.

B. The Department shall provide an updated revenue impact report no later than November 1, 2025, and every five years thereafter, for sales tax exemptions and tax credits set to expire within two years following the date of the report. Such reports shall be distributed to every member of the General Assembly and to the Joint Subcommittee to Evaluate Tax Preferences.