
VIRGINIA STATE BUDGET

2024 Special Session I

Budget Bill - HB6001 (Introduced)

Bill Order » Part 4: General Provisions » Effective Date » Item 4-14

Item 4-14

§ 4-14.00 EFFECTIVE DATE

This act is effective on July 1, 2024.

ADDITIONAL ENACTMENTS

2. That the provisions of the first enactment of 2019 Acts of Assembly, Chapter 808, shall apply to taxable years beginning on and after January 1, 2019, but before January 1, 2028, notwithstanding the second enactment of such act or any provision of law or regulation to the contrary.

3. That § 58.1-1802.1 of the Code of Virginia is amended and reenacted as follows:

§ 58.1-1802.1. Period of limitations on collection; accrual of interest and penalty.

A. Where the assessment of any tax imposed by this subtitle has been made within the period of limitation properly applicable thereto, such tax may be collected by levy, by a proceeding in court, or by any other means available to the Tax Commissioner under the laws of the Commonwealth, but only if such collection effort is made or instituted within seven years from the date of the assessment of such tax. Except as otherwise provided in this section, effective for assessments made on and after July 1, 2016, all collection efforts shall cease after such seven-year period even if initiated during the seven-year period. Prior to the expiration of any period for collection, the period may be extended by a written agreement between the Tax Commissioner and the taxpayer, and subsequent written agreements may likewise extend the period previously agreed upon. The period of limitations provided in this subsection during which a tax may be collected shall not apply to executions, levy or other actions to enforce a lien created before the expiration of the period of limitations by the docketing of a judgment or the filing of a memorandum of lien pursuant to § 58.1-1805; nor shall the period of limitations apply to the provisions of §§ 8.01-251 and 8.01-458.

B. The running of the period of limitations on collection shall be suspended for (i) the period the assessment is the subject of a proceeding pursuant to § 58.1-1807, 58.1-1821, 58.1-1825, or 58.1-1828; (ii) the period the assets of the taxpayer are in the control or custody of any state or federal court, including the United States Bankruptcy Court; or (iii) the period that an installment agreement entered into by the taxpayer pursuant to § 58.1-1817 is in effect.

C. If the Department of Taxation has no contact with the delinquent taxpayer for a period of six years and no memorandum of lien has been appropriately filed in a jurisdiction in which such taxpayer owns real estate, interest and penalty shall no longer be added to the delinquent tax liability. The mailing of notices by the Department to the taxpayer's last known address shall constitute contact with the taxpayer.

D. For purposes of this section, the "last known address" of the taxpayer means the address shown on the most recent return filed by or on behalf of the taxpayer or the address provided in correspondence by or on behalf of the taxpayer indicating that it is a change of the taxpayer's address.

E. In any pending or future administrative or judicial proceeding in which the validity of a tax assessment is an issue, the participation of the Department of Taxation in any capacity shall be considered a collection effort for purposes of this section.

4. That the provisions of the first enactment of this act shall expire at midnight on June 30, 2026.

5. That the provisions of the second enactment of this act shall have no expiration date.

6. That the provisions of the third enactment of this act are declarative of existing law and shall have no expiration date.