2026 Special Session I

Budget Bill - HB30 (Chapter 1)

Bill Order » Office of Finance » Item 260

Department of Taxation

Item 260	First Year - FY2027	Second Year - FY2028
Planning, Budgeting, and Evaluation Services (71500)	**$6,351,067**	**$6,351,067**
Tax Policy Research and Analysis (71507)	$3,974,992	$3,974,992
Appeals and Rulings (71508)	$2,376,075	$2,376,075
Fund Sources:		
General	$6,351,067	$6,351,067

Authority: §§ 2.2-1503, 15.2-2502, 58.1-202, 58.1-207, 58.1-210, 58.1-213, 58.1-816, and 58.1-3406, and Title 10.1, Chapter 14, Code of Virginia.

A. The Department of Taxation shall continue the staffing and responsibility for the revenue forecasting of the Commonwealth Transportation Funds, including the Department of Motor Vehicles Special Fund, as provided in § 2.2-1503, Code of Virginia. The Department of Motor Vehicles shall provide the Department of Taxation with direct access to all data records and systems required to perform this function.

B. Notwithstanding the provisions of § 58.1-202.2, Code of Virginia, no report on public-private partnership contracts shall be required in years following the final report upon the completion of contract or when no such contract is active.

C. The Department of Taxation shall report no later than September 1 on an annual basis, to the Chairmen of the House Appropriations, House Finance and Senate Finance and Appropriation Committees, on the amount of state sales and use tax revenues authorized to be remitted for the preceding fiscal year under the provisions of § 58.1-608.3, § 58.1-3851.1, and § 58.1-3851.2, of the Code of Virginia, as amended by the 2015 General Assembly.

D. The Department of Taxation shall conduct a work group to review the cost of mandatory property tax exemptions for disabled veterans and their spouses. The workgroup shall consist of local government representatives and any other stakeholders deemed necessary by the Secretary of Finance and the Secretary of Veterans and Defense Affairs. The workgroup shall: (i) review and collect data on the cost of the exemption and implications to localities; (ii) detail changes to the exemption and the impact of those changes to localities; (iii) evaluate legislation previously introduced by the General Assembly on these exemptions; and, (iv) provide any recommendations to the General Assembly on these mandatory property tax exemptions. The Department shall submit a report with any findings and recommendations by November 15, 2026 to the Chairs of House Finance, House Appropriations, and Senate Finance and Appropriations Committees.