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HOUSE BILL NO. 2180

Offered January 13, 2025

Prefiled January 7, 2025

A *BILL to amend the Code of Virginia by adding in Article 3 of Chapter 3 of Title 58.1 a section numbered 58.1-339.15, relating to child tax credit; Virginia adjusted gross income.*

Patrons—Tran, Convirns-Fowler, Cousins, McClure, Shin and Singh; Senators: Salim and Srinivasan

Referred to Committee on Finance

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Article 3 of Chapter 3 of Title 58.1 a section numbered 58.1-339.15 as follows:

§ 58.1-339.15. Child tax credit.

A. For taxable years beginning on and after January 1, 2025, but before January 1, 2030, an individual or married individuals filing jointly shall be allowed a one-time credit against the tax levied pursuant to § 58.1-320 for each dependent member of the taxpayer's household who is younger than 12 years of age. The amount of the credit shall be equal to \$300 for each such dependent household member. Only one credit may be claimed per such dependent household member. The credit allowed by this section shall be allowed only for an individual or married individuals whose family Virginia adjusted gross income does not exceed \$100,000. For purposes of this subsection, "Virginia adjusted gross income" means federal adjusted gross income for the taxable year with the modifications specified in §§ 58.1-322.01 and 58.1-322.02.

B. 1. If the taxpayer is a resident of Virginia and not a person to whom § 58.1-303 applies and if the amount of the credit exceeds the taxpayer's liability for such taxable year, the excess shall be refunded by the Tax Commissioner. Tax credits shall be refunded by the Tax Commissioner on behalf of the Commonwealth for 100 percent of face value. Tax credits shall be refunded within 90 days after the filing date of the income tax return on which the taxpayer applies for the refund.

2. If the taxpayer is a nonresident or a person to whom § 58.1-303 applies, the credit shall be nonrefundable and the amount of the credit claimed pursuant to this section for any taxable year shall not exceed the individual's or married individuals' Virginia income tax liability.

C. The Tax Commissioner shall develop guidelines for claiming the credit provided by this section. Such guidelines shall be exempt from the provisions of the Administrative Process Act (§ 2.2-4000 et seq.).

INTRODUCED

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