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SENATE BILL NO. 1312

Offered January 9, 2025

Prefiled January 9, 2025

A BILL to amend the Code of Virginia by adding in Article 14 of Chapter 32 of Title 58.1 a section numbered 58.1-3390, relating to real property tax; high exemption locality reimbursements.

Patron—McPike

Referred to Committee on Finance and Appropriations

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Article 14 of Chapter 32 of Title 58.1 a section numbered 58.1-3390 as follows:

§ 58.1-3390. High exemption locality reimbursements.

A. As used in this section:

"Exemption value" means the true value of real property that is (i) exempt from taxation pursuant to either § 58.1-3219.5 or 58.1-3219.9, (ii) in a high exemption locality, and (iii) in excess of one percent of the total tax year 2022 true value of real property in such locality.

"High exemption locality" means any locality in which at least one percent of real property was exempt from real property taxes in tax year 2022 pursuant to § 58.1-3219.5 or 58.1-3219.9.

"Tax year" means the 12-month period beginning in the calendar year for which real property taxes are imposed.

B. For tax year 2025 and all tax years thereafter, high exemption localities shall be reimbursed by the Commonwealth in an amount equal to 50 percent of the exemption value multiplied by the effective real property tax rate in such high exemption locality in tax year 2022.

C. All reimbursement payments shall be made each year by check issued as determined by the State Treasurer to the respective treasurer of the locality on warrant of the Comptroller.

D. Notwithstanding the provisions of § 58.1-3, the Department shall provide assistance to the commissioners of the revenue in administering the provisions of this section and provide such data and information as it has available that is needed for the commissioners of the revenue to comply with the provisions of this section. Such data and information shall be made available in a manner that will allow for compliance with the provisions of this section. The commissioners of the revenue shall timely provide to the Department or treasurer of the locality such data and information as may be required for the Department or treasurer to comply with the provisions of this section.

INTRODUCED

SB1312