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SENATE BILL NO. 1443

Offered January 17, 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 income tax; car tax credit.

Patron—Durant

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 3 of Chapter 3 of Title 58.1 a section numbered 58.1-339.15 as follows:

§ 58.1-339.15. Car tax credit.

A. For taxable years beginning on and after January 1, 2025, but before January 1, 2028, any individual or persons filing a joint return whose federal adjusted gross income does not exceed \$50,000 for single individuals or \$100,000 for married persons filing jointly during such taxable year, may claim a refundable credit in an amount equal to \$150 for single individuals and \$300 for married persons (one-half of such amounts in the case of a married individual filing a separate return) or the amount actually paid for tangible personal property tax to Virginia localities on qualifying vehicles as defined in § 58.1-3523, whichever is less.

B. If any taxpayer has claimed both the deduction under subdivision 1 a of § 58.1-322.03 and the credit under subsection A above, there shall be added to Virginia adjusted gross income the amount of tangible personal property taxes actually paid to Virginia localities on qualifying vehicles for which a credit was claimed under subsection A.

C. Notwithstanding the other provisions of this section, no credit shall be allowed for any tangible personal property taxes paid on any qualifying vehicle to any county, city, or town in any tax year that the locality imposes its tangible personal property tax on qualifying vehicles at a rate exceeding the rate it imposed on qualifying vehicles in tax year 2024.

2. If any provision of the first enactment of this act is for any reason held to be invalid or unconstitutional by the decision of a court of competent jurisdiction, such provision shall not be deemed severable.

INTRODUCED

SB1443