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1 **HOUSE JOINT RESOLUTION NO. 15**

2 Offered January 14, 2026

3 Prefiled January 6, 2026

4 *Requesting the Department of Taxation, in cooperation with the Secretary of Finance, to study the impact of*  
5 *repealing the individual income tax. Report.*

6 Patron—Griffin

7 Committee Referral Pending

8 WHEREAS, eight states in the United States do not currently levy an income tax on individuals; and

9 WHEREAS, the Commonwealth currently imposes a graduated tax rate on the net income of individuals;

10 and

11 WHEREAS, individual income tax currently makes up the Commonwealth's largest general fund revenue

12 source; and

13 WHEREAS, the Commonwealth currently has a budget surplus of over \$2 billion; and

14 WHEREAS, such surplus is due largely to collections from the Commonwealth's income tax; and

15 WHEREAS, fiscal year 2025 revenues have exceeded the amount forecast in Chapter 725 of the Acts of

16 Assembly of 2025 by \$572 million and were \$1.78 billion higher than 2024 collections; and

17 WHEREAS, the General Assembly has not enacted any legislation affecting Virginia individual income

18 tax rates or brackets since 1990; and

19 WHEREAS, House Bill 1863 (P. Scott) was left in the House Committee on Finance during the 2023

20 Regular Session of the General Assembly;

21 WHEREAS, such bill would have gradually reduced the Commonwealth's revenue reliance upon the

22 imposition of an individual income tax until the tax rate reached zero and simultaneously increased the

23 general sales and use tax, the cigarette tax, the motor vehicle sales and use tax, and the motor fuels tax; and

24 WHEREAS, several alternative revenue streams in the Commonwealth provide sufficient funding for

25 necessary government spending; now, therefore, be it

26 RESOLVED by the House of Delegates, the Senate concurring, That the Department of Taxation, in

27 cooperation with the Secretary of Finance, be requested to study the impact of repealing the individual

28 income tax. The Department of Taxation (the Department) shall consider and assess potential reforms to the

29 Commonwealth's tax structure, including identification of alternative revenue streams to fund public services,

30 which would be necessary to eliminate individual income tax liability in the Commonwealth.

31 In conducting its study, the Department shall, at a minimum, assess how other states without an individual

32 income tax raise revenues to fund public services and the legal and administrative feasibility of implementing

33 various policy options in the Commonwealth, including (i) adjusting tax rates, (ii) altering the tax base for

34 sales and use taxes, (iii) increasing reliance on excise taxes, (iv) expanding nongeneral fund revenue sources

35 in a manner that would generate additional general fund revenues, and (v) developing new revenue sources to

36 replace the funding lost by the elimination of the individual income tax.

37 Technical assistance shall be provided to the Department by the Department of Planning and Budget. All

38 agencies of the Commonwealth shall provide assistance to the Department for this study, upon request.

39 The Department of Taxation shall complete its meetings by November 30, 2026, and shall submit to the

40 Governor and the General Assembly an executive summary and a report of its findings and recommendations

41 for publication as a House or Senate document. The executive summary and report shall be submitted as

42 provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative

43 documents and reports no later than the first day of the 2027 Regular Session of the General Assembly and

44 shall be posted on the General Assembly's website.

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INTRODUCED

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