

26102032D

HOUSE BILL NO. 272

Offered January 14, 2026

Prefiled January 9, 2026

A BILL to amend the Code of Virginia by adding in Chapter 38 of Title 58.1 an article numbered 12.2, consisting of a section numbered 58.1-3853.2, relating to local film industry community zones.

Patron—Walker

Committee Referral Pending

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Chapter 38 of Title 58.1 an article numbered 12.2, consisting of a section numbered 58.1-3853.2, as follows:

Article 12.2.

Local Film Industry Community Zone.

§ 58.1-3853.2. Film industry community zones; local designation.

A. For purposes of this section:

"Film industry" means economic activity produced through (i) filmmaking, (ii) the creation of music videos or animation projects, (iii) the use of recording studios, or (iv) other business primarily intended for the production, distribution, or presentation of film.

"Film industry community zone" means a zone designated by a locality to promote a significant film industry presence within such zone and where such presence drives, or has the potential to drive, significant economic activity.

B. Any locality may establish, by ordinance, one or more film industry community zones. Each locality, or another political subdivision acting on behalf of the locality, may offer unique benefits to film industry businesses, along with related businesses that serve the needs of the film industry, looking to locate within a film industry community zone.

C. The benefits may be provided to businesses, including new residential developments, located in a film industry community zone and may include (i) reduction of permit fees; (ii) reduction of user fees; and (iii) notwithstanding any other provision of law, reduction of any type of gross receipts tax. In addition, local governing bodies are authorized to enter into agreements for the payment of economic development incentive grants to such businesses with payment of the grants conditioned upon the businesses making certain real property or capital investments, creating and maintaining new jobs, or performing or meeting other economic development objectives related to the film industry.

D. The local governing body may also provide for regulatory flexibility in such zone that may include (i) special zoning for the district, (ii) permit process reform, (iii) exemption from ordinances, and (iv) any other incentive adopted by ordinance.

E. The establishment of a film industry zone shall not preclude the area from also being designated as an enterprise zone.

F. Nothing in this section shall be construed as (i) precluding any business from participating in the Governor's Motion Picture Opportunity Fund established pursuant to § 2.2-2320 or (ii) impacting any business's eligibility for any credit available through the motion picture production tax credit pursuant to § 58.1-439.12:03.