

# 2026 SESSION

INTRODUCED

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**SENATE BILL NO. 375**

Offered January 14, 2026

Prefiled January 13, 2026

*A BILL to amend and reenact §§ 2.2-3705.7, 2.2-3711, as it is currently effective and as it shall become effective, 23.1-700, 23.1-701, 23.1-704, 23.1-706, 23.1-707, 23.1-711, 23.1-713, 51.1-505.01, 58.1-3, 58.1-322.02, 58.1-322.03, 58.1-344.3, 58.1-344.4, and 58.1-402 of the Code of Virginia and to amend the Code of Virginia by adding in Chapter 7 of Title 23.1 an article numbered 2, consisting of sections numbered 23.1-714, 23.1-715, and 23.1-716, relating to Commonwealth Savers Plan; Virginia College Opportunity Endowment and Fund established; report.*

Patron—Surovell

Referred to Committee on Education and Health

**Be it enacted by the General Assembly of Virginia:**

**1. That §§ 2.2-3705.7, 2.2-3711, as it is currently effective and as it shall become effective, 23.1-700, 23.1-701, 23.1-704, 23.1-706, 23.1-707, 23.1-711, 23.1-713, 51.1-505.01, 58.1-3, 58.1-322.02, 58.1-322.03, 58.1-344.3, 58.1-344.4, and 58.1-402 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding in Chapter 7 of Title 23.1 an article numbered 2, consisting of sections numbered 23.1-714, 23.1-715, and 23.1-716, as follows:**

**§ 2.2-3705.7. Exclusions to application of chapter; records of specific public bodies and certain other limited exclusions.**

The following information contained in a public record is excluded from the mandatory disclosure provisions of this chapter but may be disclosed by the custodian in his discretion, except where such disclosure is prohibited by law. Redaction of information excluded under this section from a public record shall be conducted in accordance with § 2.2-3704.01.

1. State income, business, and estate tax returns, personal property tax returns, and confidential records held pursuant to § 58.1-3.

2. Working papers and correspondence of the Office of the Governor, the Lieutenant Governor, or the Attorney General; the members of the General Assembly, the Division of Legislative Services, or the Clerks of the House of Delegates or the Senate of Virginia; the mayor or chief executive officer of any political subdivision of the Commonwealth; or the president or other chief executive officer of any public institution of higher education in the Commonwealth. However, no information that is otherwise open to inspection under this chapter shall be deemed excluded by virtue of the fact that it has been attached to or incorporated within any working paper or correspondence. Further, information publicly available or not otherwise subject to an exclusion under this chapter or other provision of law that has been aggregated, combined, or changed in format without substantive analysis or revision shall not be deemed working papers. Nothing in this subdivision shall be construed to authorize the withholding of any resumes or applications submitted by persons who are appointed by the Governor pursuant to § 2.2-106 or 2.2-107.

As used in this subdivision:

"Members of the General Assembly" means each member of the Senate of Virginia and the House of Delegates and their legislative aides when working on behalf of such member.

"Office of the Governor" means the Governor; the Governor's chief of staff, counsel, director of policy, and Cabinet Secretaries; the Assistant to the Governor for Intergovernmental Affairs; and those individuals to whom the Governor has delegated his authority pursuant to § 2.2-104.

"Working papers" means those records prepared by or for a public official identified in this subdivision for his personal or deliberative use.

3. Information contained in library records that can be used to identify (i) both (a) any library patron who has borrowed or accessed material or resources from a library and (b) the material or resources such patron borrowed or accessed or (ii) any library patron under 18 years of age. For the purposes of clause (ii), access shall not be denied to the parent, including a noncustodial parent, or guardian of such library patron.

4. Contract cost estimates prepared for the confidential use of the Department of Transportation in awarding contracts for construction or the purchase of goods or services, and records and automated systems prepared for the Department's Bid Analysis and Monitoring Program.

5. Lists of registered owners of bonds issued by a political subdivision of the Commonwealth, whether the lists are maintained by the political subdivision itself or by a single fiduciary designated by the political subdivision.

6. Information furnished by a member of the General Assembly to a meeting of a standing committee, special committee, or subcommittee of his house established solely for the purpose of reviewing members'

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59 annual disclosure statements and supporting materials filed under § 30-110 or of formulating advisory  
60 opinions to members on standards of conduct, or both.

61 7. Customer account information of a public utility affiliated with a political subdivision of the  
62 Commonwealth, including the customer's name and service address, but excluding the amount of utility  
63 service provided and the amount of money charged or paid for such utility service.

64 8. Personal information, as defined in § 2.2-3801, (i) filed with the Virginia Housing Development  
65 Authority concerning individuals who have applied for or received loans or other housing assistance or who  
66 have applied for occupancy of or have occupied housing financed, owned or otherwise assisted by the  
67 Virginia Housing Development Authority; (ii) concerning persons participating in or persons on the waiting  
68 list for federally funded rent-assistance programs; (iii) filed with any local redevelopment and housing  
69 authority created pursuant to § 36-4 concerning persons participating in or persons on the waiting list for  
70 housing assistance programs funded by local governments or by any such authority; or (iv) filed with any  
71 local redevelopment and housing authority created pursuant to § 36-4 or any other local government agency  
72 concerning persons who have applied for occupancy or who have occupied affordable dwelling units  
73 established pursuant to § 15.2-2304 or 15.2-2305. However, access to one's own information shall not be  
74 denied.

75 9. Information regarding the siting of hazardous waste facilities, except as provided in § 10.1-1441, if  
76 disclosure of such information would have a detrimental effect upon the negotiating position of a governing  
77 body or on the establishment of the terms, conditions, and provisions of the siting agreement.

78 10. Information on the site-specific location of rare, threatened, endangered, or otherwise imperiled plant  
79 and animal species, natural communities, caves, and significant historic and archaeological sites if, in the  
80 opinion of the public body that has the responsibility for such information, disclosure of the information  
81 would jeopardize the continued existence or the integrity of the resource. This exclusion shall not apply to  
82 requests from the owner of the land upon which the resource is located.

83 11. Memoranda, graphics, video or audio tapes, production models, data, and information of a proprietary  
84 nature produced by or for or collected by or for the Virginia Lottery relating to matters of a specific lottery  
85 game design, development, production, operation, ticket price, prize structure, manner of selecting the  
86 winning ticket, manner of payment of prizes to holders of winning tickets, frequency of drawings or  
87 selections of winning tickets, odds of winning, advertising, or marketing, where such information not been  
88 publicly released, published, copyrighted, or patented. Whether released, published, or copyrighted, all game-  
89 related information shall be subject to public disclosure under this chapter upon the first day of sales for the  
90 specific lottery game to which it pertains.

91 12. Information held by the Virginia Retirement System, acting pursuant to § 51.1-124.30, or a local  
92 retirement system, acting pursuant to § 51.1-803, or by a local finance board or board of trustees of a trust  
93 established by one or more local public bodies to invest funds for post-retirement benefits other than  
94 pensions, acting pursuant to Article 8 (§ 15.2-1544 et seq.) of Chapter 15 of Title 15.2, or by the board of  
95 visitors of the University of Virginia, acting pursuant to § 23.1-2210, or by the board of visitors of The  
96 College of William and Mary in Virginia, acting pursuant to § 23.1-2803, or by the Commonwealth Savers  
97 Plan, acting pursuant to § 23.1-704, relating to the acquisition, holding, or disposition of a security or other  
98 ownership interest in an entity, where such security or ownership interest is not traded on a governmentally  
99 regulated securities exchange, if disclosure of such information would (i) reveal confidential analyses  
100 prepared for the board of visitors of the University of Virginia, prepared for the board of visitors of The  
101 College of William and Mary in Virginia, prepared by the retirement system, a local finance board or board  
102 of trustees, or the Commonwealth Savers Plan, or provided to the retirement system, a local finance board or  
103 board of trustees, or the Commonwealth Savers Plan under a promise of confidentiality of the future value of  
104 such ownership interest or the future financial performance of the entity and (ii) have an adverse effect on the  
105 value of the investment to be acquired, held, or disposed of by the retirement system, a local finance board or  
106 board of trustees, the board of visitors of the University of Virginia, the board of visitors of The College of  
107 William and Mary in Virginia, or the Commonwealth Savers Plan. Nothing in this subdivision shall be  
108 construed to prevent the disclosure of information relating to the identity of any investment held, the amount  
109 invested, or the present value of such investment.

110 13. Financial, medical, rehabilitative, and other personal information concerning applicants for or  
111 recipients of loan funds submitted to or maintained by the Assistive Technology Loan Fund Authority under  
112 Chapter 11 (§ 51.5-53 et seq.) of Title 51.5.

113 14. Information held by the Virginia Commonwealth University Health System Authority pertaining to  
114 any of the following: an individual's qualifications for or continued membership on its medical or teaching  
115 staffs; proprietary information gathered by or in the possession of the Authority from third parties pursuant to  
116 a promise of confidentiality; contract cost estimates prepared for confidential use in awarding contracts for  
117 construction or the purchase of goods or services; information of a proprietary nature produced or collected  
118 by or for the Authority or members of its medical or teaching staffs; financial statements not publicly  
119 available that may be filed with the Authority from third parties; the identity, accounts, or account status of  
120 any customer of the Authority; consulting or other reports paid for by the Authority to assist the Authority in

connection with its strategic planning and goals; the determination of marketing and operational strategies where disclosure of such strategies would be harmful to the competitive position of the Authority; and information of a proprietary nature produced or collected by or for employees of the Authority, other than the Authority's financial or administrative records, in the conduct of or as a result of study or research on medical, scientific, technical, or scholarly issues, whether sponsored by the Authority alone or in conjunction with a governmental body or a private concern, when such information has not been publicly released, published, copyrighted, or patented. This exclusion shall also apply when such information is in the possession of Virginia Commonwealth University.

15. Information held by the Department of Environmental Quality, the State Water Control Board, the State Air Pollution Control Board, or the Virginia Waste Management Board relating to (i) active federal environmental enforcement actions that are considered confidential under federal law and (ii) enforcement strategies, including proposed sanctions for enforcement actions. Upon request, such information shall be disclosed after a proposed sanction resulting from the investigation has been proposed to the director of the agency. This subdivision shall not be construed to prevent the disclosure of information related to inspection reports, notices of violation, and documents detailing the nature of any environmental contamination that may have occurred or similar documents.

16. Information related to the operation of toll facilities that identifies an individual, vehicle, or travel itinerary, including vehicle identification data or vehicle enforcement system information; video or photographic images; Social Security or other identification numbers appearing on driver's licenses; credit card or bank account data; home addresses; phone numbers; or records of the date or time of toll facility use.

17. Information held by the Virginia Lottery pertaining to (i) the social security number, tax identification number, state sales tax number, home address and telephone number, personal and lottery banking account and transit numbers of a retailer, and financial information regarding the nonlottery operations of specific retail locations and (ii) individual lottery winners, except that a winner's name, hometown, and amount won shall be disclosed. If the value of the prize won by the winner is \$1 million or greater, the information described in clause (ii) shall not be disclosed unless the winner consents in writing to such disclosure.

18. Information held by the Board for Branch Pilots relating to the chemical or drug testing of a person regulated by the Board, where such person has tested negative or has not been the subject of a disciplinary action by the Board for a positive test result.

19. Information pertaining to the planning, scheduling, and performance of examinations of holder records pursuant to the Virginia Disposition of Unclaimed Property Act (§ 55.1-2500 et seq.) prepared by or for the State Treasurer or his agents or employees or persons employed to perform an audit or examination of holder records.

20. Information held by the Virginia Department of Emergency Management or a local governing body relating to citizen emergency response teams established pursuant to an ordinance of a local governing body that reveal the name, address, including e-mail address, telephone or pager numbers, or operating schedule of an individual participant in the program.

21. Information held by state or local park and recreation departments and local and regional park authorities or by the Department of Workforce Development and Advancement concerning identifiable individuals younger than 18 years of age. However, nothing in this subdivision shall operate to prevent the disclosure of information defined as directory information under regulations implementing the federal Family Educational Rights and Privacy Act, 20 U.S.C. § 1232g, unless the public body has undertaken the parental notification and opt-out requirements provided by such regulations. Access shall not be denied to the parent, including a noncustodial parent, or guardian of such person, unless the parent's parental rights have been terminated or a court of competent jurisdiction has restricted or denied such access. For such information of persons who are emancipated, the right of access may be asserted by the subject thereof. Any parent or emancipated person who is the subject of the information may waive, in writing, the protections afforded by this subdivision. If the protections are so waived, the public body shall open such information for inspection and copying.

22. Information submitted for inclusion in the Statewide Alert Network administered by the Department of Emergency Management that reveal names, physical addresses, email addresses, computer or internet protocol information, telephone numbers, pager numbers, other wireless or portable communications device information, or operating schedules of individuals or agencies, where the release of such information would compromise the security of the Statewide Alert Network or individuals participating in the Statewide Alert Network.

23. Information held by the Judicial Inquiry and Review Commission made confidential by § 17.1-913.

24. Information held by the Virginia Retirement System acting pursuant to § 51.1-124.30, a local retirement system acting pursuant to § 51.1-803 (hereinafter collectively referred to as the retirement system), or the Commonwealth Savers Plan, acting pursuant to § §§ 23.1-704 and 23.1-716, relating to:

180 a. Internal deliberations of or decisions by the retirement system or the Commonwealth Savers Plan on the  
181 pursuit of particular investment strategies, or the selection or termination of investment managers, prior to the  
182 execution of such investment strategies or the selection or termination of such managers, if disclosure of such

183 information would have an adverse impact on the financial interest of the retirement system or the  
184 Commonwealth Savers Plan; and

185 b. Trade secrets provided by a private entity to the retirement system or the Commonwealth Savers Plan if  
186 disclosure of such records would have an adverse impact on the financial interest of the retirement system or  
187 the Commonwealth Savers Plan.

188 For the records specified in subdivision b to be excluded from the provisions of this chapter, the entity  
189 shall make a written request to the retirement system or the Commonwealth Savers Plan:

190 (1) Invoking such exclusion prior to or upon submission of the data or other materials for which  
191 protection from disclosure is sought;

192 (2) Identifying with specificity the data or other materials for which protection is sought; and

193 (3) Stating the reasons why protection is necessary.

194 The retirement system or the Commonwealth Savers Plan shall determine whether the requested exclusion  
195 from disclosure meets the requirements set forth in subdivision b.

196 Nothing in this subdivision shall be construed to prevent the disclosure of the identity or amount of any  
197 investment held or the present value and performance of all asset classes and subclasses.

198 25. Information held by the Department of Corrections made confidential by former § 53.1-233.

199 26. Information maintained by the Department of the Treasury or participants in the Local Government  
200 Investment Pool (§ 2.2-4600 et seq.) and required to be provided by such participants to the Department to  
201 establish accounts in accordance with § 2.2-4602.

202 27. Personal information, as defined in § 2.2-3801, contained in the Veterans Care Center Resident Trust  
203 Funds concerning residents or patients of the Department of Veterans Services Care Centers, except that  
204 access shall not be denied to the person who is the subject of the information.

205 28. Information maintained in connection with fundraising activities by the Veterans Services Foundation  
206 pursuant to § 2.2-2716 that reveal the address, electronic mail address, facsimile or telephone number, social  
207 security number or other identification number appearing on a driver's license or other document issued under  
208 Chapter 3 (§ 46.2-300 et seq.) of Title 46.2 or the comparable law of another jurisdiction, or credit card or  
209 bank account data of identifiable donors, except that access shall not be denied to the person who is the  
210 subject of the information. Nothing in this subdivision, however, shall be construed to prevent the disclosure  
211 of information relating to the amount, date, purpose, and terms of the pledge or donation or the identity of the  
212 donor, unless the donor has requested anonymity in connection with or as a condition of making a pledge or  
213 donation. The exclusion provided by this subdivision shall not apply to protect from disclosure (i) the  
214 identities of sponsors providing grants to or contracting with the foundation for the performance of services  
215 or other work or (ii) the terms and conditions of such grants or contracts.

216 29. Information prepared for and utilized by the Commonwealth's Attorneys' Services Council in the  
217 training of state prosecutors or law-enforcement personnel, where such information is not otherwise available  
218 to the public and the disclosure of such information would reveal confidential strategies, methods, or  
219 procedures to be employed in law-enforcement activities or materials created for the investigation and  
220 prosecution of a criminal case.

221 30. Information provided to the Department of Aviation by other entities of the Commonwealth in  
222 connection with the operation of aircraft where the information would not be subject to disclosure by the  
223 entity providing the information. The entity providing the information to the Department of Aviation shall  
224 identify the specific information to be protected and the applicable provision of this chapter that excludes the  
225 information from mandatory disclosure.

226 31. Information created or maintained by or on the behalf of the judicial performance evaluation program  
227 related to an evaluation of any individual justice or judge made confidential by § 17.1-100.

228 32. Information reflecting the substance of meetings in which (i) individual sexual assault cases are  
229 discussed by any sexual assault response team established pursuant to § 15.2-1627.4, (ii) individual child  
230 abuse or neglect cases or sex offenses involving a child are discussed by multidisciplinary child sexual abuse  
231 response teams established pursuant to § 15.2-1627.5, (iii) individual cases of abuse, neglect, or exploitation  
232 of adults as defined in § 63.2-1603 are discussed by multidisciplinary teams established pursuant to  
233 §§ 15.2-1627.5 and 63.2-1605, or (iv) individual human trafficking cases are discussed by any human  
234 trafficking response team established pursuant to § 15.2-1627.6. The findings of any such team may be  
235 disclosed or published in statistical or other aggregated form that does not disclose the identity of specific  
236 individuals.

237 33. Information contained in the strategic plan, marketing plan, or operational plan prepared by the  
238 Virginia Economic Development Partnership Authority pursuant to § 2.2-2237.1 regarding target companies,  
239 specific allocation of resources and staff for marketing activities, and specific marketing activities that would  
240 reveal to the Commonwealth's competitors for economic development projects the strategies intended to be  
241 deployed by the Commonwealth, thereby adversely affecting the financial interest of the Commonwealth.  
242 The executive summaries of the strategic plan, marketing plan, and operational plan shall not be redacted or  
243 withheld pursuant to this subdivision.

244 34. Information discussed in a closed session of the Physical Therapy Compact Commission or the

245 Executive Board or other committees of the Commission for purposes set forth in subsection E of  
 246 § 54.1-3491.

247 35. Information held by the Commonwealth of Virginia Innovation Partnership Authority (the Authority),  
 248 an advisory committee of the Authority, or any other entity designated by the Authority, relating to (i)  
 249 internal deliberations of or decisions by the Authority on the pursuit of particular investment strategies prior  
 250 to the execution of such investment strategies and (ii) trade secrets, as defined in the Uniform Trade Secrets  
 251 Act (§ 59.1-336 et seq.), provided by a private entity to the Authority, if such disclosure of records pursuant  
 252 to clause (i) or (ii) would have an adverse impact on the financial interest of the Authority or a private entity.

253 36. Personal information provided to or obtained by the Virginia Lottery in connection with the voluntary  
 254 exclusion program administered pursuant to § 58.1-4015.1.

255 37. Personal information provided to or obtained by the Virginia Lottery concerning the identity of any  
 256 person reporting prohibited conduct pursuant to § 58.1-4043.

257 **§ 2.2-3711. (Effective until July 1, 2026) Closed meetings authorized for certain limited purposes.**

258 A. Public bodies may hold closed meetings only for the following purposes:

259 1. Discussion, consideration, or interviews of prospective candidates for employment; assignment,  
 260 appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public  
 261 officers, appointees, or employees of any public body; and evaluation of performance of departments or  
 262 schools of public institutions of higher education where such evaluation will necessarily involve discussion of  
 263 the performance of specific individuals. Any teacher shall be permitted to be present during a closed meeting  
 264 in which there is a discussion or consideration of a disciplinary matter that involves the teacher and some  
 265 student and the student involved in the matter is present, provided that the teacher makes a written request to  
 266 be present to the presiding officer of the appropriate board. Nothing in this subdivision, however, shall be  
 267 construed to authorize a closed meeting by a local governing body or an elected school board to discuss  
 268 compensation matters that affect the membership of such body or board collectively.

269 2. Discussion or consideration of admission or disciplinary matters or any other matters that would  
 270 involve the disclosure of information contained in a scholastic record concerning any student of any public  
 271 institution of higher education in the Commonwealth or any state school system. However, any such student,  
 272 legal counsel and, if the student is a minor, the student's parents or legal guardians shall be permitted to be  
 273 present during the taking of testimony or presentation of evidence at a closed meeting, if such student,  
 274 parents, or guardians so request in writing and such request is submitted to the presiding officer of the  
 275 appropriate board.

276 3. Discussion or consideration of the acquisition of real property for a public purpose, or of the disposition  
 277 of publicly held real property, where discussion in an open meeting would adversely affect the bargaining  
 278 position or negotiating strategy of the public body.

279 4. The protection of the privacy of individuals in personal matters not related to public business.

280 5. Discussion concerning a prospective business or industry or the expansion of an existing business or  
 281 industry where no previous announcement has been made of the business' or industry's interest in locating or  
 282 expanding its facilities in the community.

283 6. Discussion or consideration of the investment of public funds where competition or bargaining is  
 284 involved, where, if made public initially, the financial interest of the governmental unit would be adversely  
 285 affected.

286 7. Consultation with legal counsel and briefings by staff members or consultants pertaining to actual or  
 287 probable litigation, where such consultation or briefing in open meeting would adversely affect the  
 288 negotiating or litigating posture of the public body. For the purposes of this subdivision, "probable litigation"  
 289 means litigation that has been specifically threatened or on which the public body or its legal counsel has a  
 290 reasonable basis to believe will be commenced by or against a known party. Nothing in this subdivision shall  
 291 be construed to permit the closure of a meeting merely because an attorney representing the public body is in  
 292 attendance or is consulted on a matter.

293 8. Consultation with legal counsel employed or retained by a public body regarding specific legal matters  
 294 requiring the provision of legal advice by such counsel. Nothing in this subdivision shall be construed to  
 295 permit the closure of a meeting merely because an attorney representing the public body is in attendance or is  
 296 consulted on a matter.

297 9. Discussion or consideration by governing boards of public institutions of higher education of matters  
 298 relating to gifts, bequests and fund-raising activities, and of grants and contracts for services or work to be  
 299 performed by such institution. However, the terms and conditions of any such gifts, bequests, grants, and  
 300 contracts made by a foreign government, a foreign legal entity, or a foreign person and accepted by a public  
 301 institution of higher education in the Commonwealth shall be subject to public disclosure upon written  
 302 request to the appropriate board of visitors. For the purpose of this subdivision, (i) "foreign government"  
 303 means any government other than the United States government or the government of a state or a political  
 304 subdivision thereof, (ii) "foreign legal entity" means any legal entity (a) created under the laws of the United  
 305 States or of any state thereof if a majority of the ownership of the stock of such legal entity is owned by  
 306 foreign governments or foreign persons or if a majority of the membership of any such entity is composed of

307 foreign persons or foreign legal entities or (b) created under the laws of a foreign government, and (iii)  
308 "foreign person" means any individual who is not a citizen or national of the United States or a trust territory  
309 or protectorate thereof.

310 10. Discussion or consideration by the boards of trustees of the Virginia Museum of Fine Arts, the  
311 Virginia Museum of Natural History, the Jamestown-Yorktown Foundation, the Fort Monroe Authority, and  
312 The Science Museum of Virginia of matters relating to specific gifts, bequests, and grants from private  
313 sources.

314 11. Discussion or consideration of honorary degrees or special awards.

315 12. Discussion or consideration of tests, examinations, or other information used, administered, or  
316 prepared by a public body and subject to the exclusion in subdivision 4 of § 2.2-3705.1.

317 13. Discussion, consideration, or review by the appropriate House or Senate committees of possible  
318 disciplinary action against a member arising out of the possible inadequacy of the disclosure statement filed  
319 by the member, provided that the member may request in writing that the committee meeting not be  
320 conducted in a closed meeting.

321 14. Discussion of strategy with respect to the negotiation of a hazardous waste siting agreement or to  
322 consider the terms, conditions, and provisions of a hazardous waste siting agreement if the governing body in  
323 open meeting finds that an open meeting will have an adverse effect upon the negotiating position of the  
324 governing body or the establishment of the terms, conditions and provisions of the siting agreement, or both.  
325 All discussions with the applicant or its representatives may be conducted in a closed meeting.

326 15. Discussion by the Governor and any economic advisory board reviewing forecasts of economic  
327 activity and estimating general and nongeneral fund revenues.

328 16. Discussion or consideration of medical and mental health records subject to the exclusion in  
329 subdivision 1 of § 2.2-3705.5.

330 17. Deliberations of the Virginia Lottery Board in a licensing appeal action conducted pursuant to  
331 subsection D of § 58.1-4007 regarding the denial or revocation of a license of a lottery sales agent; and  
332 discussion, consideration or review of Virginia Lottery matters related to proprietary lottery game  
333 information and studies or investigations excluded from disclosure under subdivision 6 of § 2.2-3705.3 and  
334 subdivision 11 of § 2.2-3705.7.

335 18. Those portions of meetings in which the State Board of Local and Regional Jails discusses or discloses  
336 the identity of, or information tending to identify, any prisoner who (i) provides information about crimes or  
337 criminal activities, (ii) renders assistance in preventing the escape of another prisoner or in the apprehension  
338 of an escaped prisoner, or (iii) voluntarily or at the instance of a prison official renders other extraordinary  
339 services, the disclosure of which is likely to jeopardize the prisoner's life or safety.

340 19. Discussion of plans to protect public safety as it relates to terrorist activity or specific cybersecurity  
341 threats or vulnerabilities and briefings by staff members, legal counsel, or law-enforcement or emergency  
342 service officials concerning actions taken to respond to such matters or a related threat to public safety;  
343 discussion of information subject to the exclusion in subdivision 2 or 14 of § 2.2-3705.2, where discussion in  
344 an open meeting would jeopardize the safety of any person or the security of any facility, building, structure,  
345 information technology system, or software program; or discussion of reports or plans related to the security  
346 of any governmental facility, building or structure, or the safety of persons using such facility, building or  
347 structure.

348 20. Discussion by the Board of the Virginia Retirement System, acting pursuant to § 51.1-124.30, or of  
349 any local retirement system, acting pursuant to § 51.1-803, or by a local finance board or board of trustees of  
350 a trust established by one or more local public bodies to invest funds for postemployment benefits other than  
351 pensions, acting pursuant to Article 8 (§ 15.2-1544 et seq.) of Chapter 15 of Title 15.2, or by the board of  
352 visitors of the University of Virginia, acting pursuant to § 23.1-2210, or by the Board of the Commonwealth  
353 Savers Plan, acting pursuant to § 23.1-706, regarding the acquisition, holding or disposition of a security or  
354 other ownership interest in an entity, where such security or ownership interest is not traded on a  
355 governmentally regulated securities exchange, to the extent that such discussion (i) concerns confidential  
356 analyses prepared for the board of visitors of the University of Virginia, prepared by the retirement system, or  
357 a local finance board or board of trustees, or the Commonwealth Savers Plan or provided to the retirement  
358 system, a local finance board or board of trustees, or the Commonwealth Savers Plan under a promise of  
359 confidentiality, of the future value of such ownership interest or the future financial performance of the  
360 entity, and (ii) would have an adverse effect on the value of the investment to be acquired, held, or disposed  
361 of by the retirement system, a local finance board or board of trustees, the board of visitors of the University  
362 of Virginia, or the Commonwealth Savers Plan. Nothing in this subdivision shall be construed to prevent the  
363 disclosure of information relating to the identity of any investment held, the amount invested or the present  
364 value of such investment.

365 21. Those portions of meetings in which individual child death cases are discussed by the State Child  
366 Fatality Review Team established pursuant to § 32.1-283.1, those portions of meetings in which individual  
367 child death cases are discussed by a regional or local child fatality review team established pursuant to  
368 § 32.1-283.2, those portions of meetings in which individual death cases are discussed by family violence

369 fatality review teams established pursuant to § 32.1-283.3, those portions of meetings in which individual  
 370 adult death cases are discussed by the state Adult Fatality Review Team established pursuant to § 32.1-283.5,  
 371 those portions of meetings in which individual adult death cases are discussed by a local or regional adult  
 372 fatality review team established pursuant to § 32.1-283.6, those portions of meetings in which individual  
 373 death cases are discussed by overdose fatality review teams established pursuant to § 32.1-283.7, those  
 374 portions of meetings in which individual maternal death cases are discussed by the Maternal Mortality  
 375 Review Team pursuant to § 32.1-283.8, and those portions of meetings in which individual death cases of  
 376 persons with developmental disabilities are discussed by the Developmental Disabilities Mortality Review  
 377 Committee established pursuant to § 37.2-314.1.

378 22. Those portions of meetings of the board of visitors of the University of Virginia or Old Dominion  
 379 University, as the case may be, and those portions of meetings of any persons to whom management  
 380 responsibilities for the University of Virginia Medical Center or the Eastern Virginia Health Sciences Center  
 381 at Old Dominion University, as the case may be, have been delegated, in which there is discussed proprietary,  
 382 business-related information pertaining to the operations of the University of Virginia Medical Center or the  
 383 Eastern Virginia Health Sciences Center at Old Dominion University, as the case may be, including business  
 384 development or marketing strategies and activities with existing or future joint venturers, partners, or other  
 385 parties with whom the University of Virginia Medical Center or the Eastern Virginia Health Sciences Center  
 386 at Old Dominion University, as the case may be, has formed, or forms, any arrangement for the delivery of  
 387 health care, if disclosure of such information would adversely affect the competitive position of the  
 388 University of Virginia Medical Center or the Eastern Virginia Health Sciences Center at Old Dominion  
 389 University, as the case may be.

390 23. Discussion or consideration by the Virginia Commonwealth University Health System Authority or  
 391 the board of visitors of Virginia Commonwealth University of any of the following: the acquisition or  
 392 disposition by the Authority of real property, equipment, or technology software or hardware and related  
 393 goods or services, where disclosure would adversely affect the bargaining position or negotiating strategy of  
 394 the Authority; matters relating to gifts or bequests to, and fund-raising activities of, the Authority; grants and  
 395 contracts for services or work to be performed by the Authority; marketing or operational strategies plans of  
 396 the Authority where disclosure of such strategies or plans would adversely affect the competitive position of  
 397 the Authority; and members of the Authority's medical and teaching staffs and qualifications for  
 398 appointments thereto.

399 24. Those portions of the meetings of the Health Practitioners' Monitoring Program Committee within the  
 400 Department of Health Professions to the extent such discussions identify any practitioner who may be, or who  
 401 actually is, impaired pursuant to Chapter 25.1 (§ 54.1-2515 et seq.) of Title 54.1.

402 25. Meetings or portions of meetings of the Board of the Commonwealth Savers Plan wherein personal  
 403 information, as defined in § 2.2-3801, which has been provided to the Board or its employees by or on behalf  
 404 of individuals who have requested information about, applied for, or entered into (i) prepaid tuition contracts  
 405 or savings trust account agreements pursuant to *Chapter 7 Article 1* (§ 23.1-700 et seq.) of *Chapter 7* of Title  
 406 23.1 or (ii) *College Opportunity Fund Scholarship agreements pursuant to Article 2* (§ 23.1-714 et seq.) of  
 407 *Chapter 7* of Title 23.1 is discussed.

408 26. Discussion or consideration, by the former Wireless Carrier E-911 Cost Recovery Subcommittee  
 409 created pursuant to former § 56-484.15, of trade secrets submitted by CMRS providers, as defined in  
 410 § 56-484.12, related to the provision of wireless E-911 service.

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 412 Professional and Occupational Regulation, Department of Health Professions, or the Board of Accountancy  
 413 conducted pursuant to § 2.2-4019 or 2.2-4020 during which the board deliberates to reach a decision or  
 414 meetings of health regulatory boards or conference committees of such boards to consider settlement  
 415 proposals in pending disciplinary actions or modifications to previously issued board orders as requested by  
 416 either of the parties.

417 28. Discussion or consideration of information subject to the exclusion in subdivision 11 of § 2.2-3705.6  
 418 by a responsible public entity or an affected locality or public entity, as those terms are defined in  
 419 § 33.2-1800, or any independent review panel appointed to review information and advise the responsible  
 420 public entity concerning such records.

421 29. Discussion of the award of a public contract involving the expenditure of public funds, including  
 422 interviews of bidders or offerors, and discussion of the terms or scope of such contract, where discussion in  
 423 an open session would adversely affect the bargaining position or negotiating strategy of the public body.

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 428 predators under Chapter 9 (§ 37.2-900 et seq.) of Title 37.2.

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 430 held by a local public body providing certain telecommunication services or cable television services and

431 subject to the exclusion in subdivision 18 of § 2.2-3705.6. However, the exemption provided by this  
432 subdivision shall not apply to any authority created pursuant to the BVU Authority Act (§ 15.2-7200 et seq.).

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434 Service Authorities Act (§ 15.2-5431.1 et seq.) of confidential proprietary information and trade secrets  
435 subject to the exclusion in subdivision 19 of § 2.2-3705.6.

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437 matters made confidential pursuant to § 24.2-410.2 or 24.2-625.1.

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439 created pursuant to Article 2 (§ 9.1-1109 et seq.) of Chapter 11 of Title 9.1 of criminal investigative files.

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441 information or confidential matters subject to the exclusion in subdivision A 3 of § 2.2-3705.4, and meetings  
442 of the Committee to deliberate concerning the annual maximum scholarship award, review and consider  
443 scholarship applications and requests for scholarship award renewal, and cancel, rescind, or recover  
444 scholarship awards.

445 37. Discussion or consideration by the Virginia Port Authority of information subject to the exclusion in  
446 subdivision 1 of § 2.2-3705.6 related to certain proprietary information gathered by or for the Virginia Port  
447 Authority.

448 38. Discussion or consideration by the Board of Trustees of the Virginia Retirement System acting  
449 pursuant to § 51.1-124.30, by the Investment Advisory Committee appointed pursuant to § 51.1-124.26, by  
450 any local retirement system, acting pursuant to § 51.1-803, by the Board of the Commonwealth Savers Plan  
451 acting pursuant to *subdivision C 2 of § 23.1-701 or § 23.1-706*, or by the Commonwealth Savers Plan's  
452 Investment Advisory Committee appointed pursuant to § 23.1-702 of information subject to the exclusion in  
453 subdivision 24 of § 2.2-3705.7.

454 39. Discussion or consideration of information subject to the exclusion in subdivision 3 of § 2.2-3705.6  
455 related to economic development.

456 40. Discussion or consideration by the Board of Education of information relating to the denial,  
457 suspension, or revocation of teacher licenses subject to the exclusion in subdivision 11 of § 2.2-3705.3.

458 41. Those portions of meetings of the Virginia Military Advisory Council or any commission created by  
459 executive order for the purpose of studying and making recommendations regarding preventing closure or  
460 realignment of federal military and national security installations and facilities located in Virginia and  
461 relocation of such facilities to Virginia, or a local or regional military affairs organization appointed by a  
462 local governing body, during which there is discussion of information subject to the exclusion in subdivision  
463 8 of § 2.2-3705.2.

464 42. Discussion or consideration by the Board of Trustees of the Veterans Services Foundation of  
465 information subject to the exclusion in subdivision 28 of § 2.2-3705.7 related to personally identifiable  
466 information of donors.

467 43. Discussion or consideration by the Virginia Tobacco Region Revitalization Commission of  
468 information subject to the exclusion in subdivision 23 of § 2.2-3705.6 related to certain information contained  
469 in grant applications.

470 44. Discussion or consideration by the board of directors of the Commercial Space Flight Authority of  
471 information subject to the exclusion in subdivision 24 of § 2.2-3705.6 related to rate structures or charges for  
472 the use of projects of, the sale of products of, or services rendered by the Authority and certain proprietary  
473 information of a private entity provided to the Authority.

474 45. Discussion or consideration of personal and proprietary information related to the resource  
475 management plan program and subject to the exclusion in (i) subdivision 25 of § 2.2-3705.6 or (ii) subsection  
476 E of § 10.1-104.7. This exclusion shall not apply to the discussion or consideration of records that contain  
477 information that has been certified for release by the person who is the subject of the information or  
478 transformed into a statistical or aggregate form that does not allow identification of the person who supplied,  
479 or is the subject of, the information.

480 46. Discussion or consideration by the Board of Directors of the Virginia Alcoholic Beverage Control  
481 Authority of information subject to the exclusion in subdivision 1 of § 2.2-3705.3 related to investigations of  
482 applicants for licenses and permits and of licensees and permittees.

483 47. Discussion or consideration of grant, loan, or investment application records subject to the exclusion  
484 in subdivision 28 of § 2.2-3705.6 for a grant, loan, or investment pursuant to Article 11 (§ 2.2-2351 et seq.)  
485 of Chapter 22.

486 48. Discussion or development of grant proposals by a regional council established pursuant to Article 26  
487 (§ 2.2-2484 et seq.) of Chapter 24 to be submitted for consideration to the Virginia Growth and Opportunity  
488 Board.

489 49. Discussion or consideration of (i) individual sexual assault cases by a sexual assault response team  
490 established pursuant to § 15.2-1627.4, (ii) individual child abuse or neglect cases or sex offenses involving a  
491 child by a child sexual abuse response team established pursuant to § 15.2-1627.5, (iii) individual cases  
492 involving abuse, neglect, or exploitation of adults as defined in § 63.2-1603 pursuant to §§ 15.2-1627.5 and

493 63.2-1605, or (iv) individual human trafficking cases by any human trafficking response team established  
 494 pursuant to § 15.2-1627.6.

495 50. Discussion or consideration by the Board of the Virginia Economic Development Partnership  
 496 Authority, the Joint Legislative Audit and Review Commission, or any subcommittees thereof, of the portions  
 497 of the strategic plan, marketing plan, or operational plan exempt from disclosure pursuant to subdivision 33  
 498 of § 2.2-3705.7.

499 51. Those portions of meetings of the subcommittee of the Board of the Virginia Economic Development  
 500 Partnership Authority established pursuant to subsection F of § 2.2-2237.3 to review and discuss information  
 501 received from the Virginia Employment Commission pursuant to subdivision C 2 of § 60.2-114 and the  
 502 Department of Workforce Development and Advancement pursuant to subsection B of § 2.2-2040.

503 52. Discussion or consideration by the Commonwealth of Virginia Innovation Partnership Authority (the  
 504 Authority), an advisory committee of the Authority, or any other entity designated by the Authority, of  
 505 information subject to the exclusion in subdivision 35 of § 2.2-3705.7.

506 53. Deliberations of the Virginia Lottery Board conducted pursuant to § 58.1-4105 regarding the denial or  
 507 revocation of a license of a casino gaming operator, or the refusal to issue, suspension of, or revocation of  
 508 any license or permit related to casino gaming, and discussion, consideration, or review of matters related to  
 509 investigations excluded from mandatory disclosure under subdivision 1 of § 2.2-3705.3.

510 54. Deliberations of the Virginia Lottery Board in an appeal conducted pursuant to § 58.1-4007 regarding  
 511 the denial of, revocation of, suspension of, or refusal to renew any license or permit related to sports betting  
 512 and any discussion, consideration, or review of matters related to investigations excluded from mandatory  
 513 disclosure under subdivision 1 of § 2.2-3705.3.

514 55. Meetings or portions of meetings of the Board of Criminal Justice Services or the Department of  
 515 Criminal Justice Services concerning the decertification of an identifiable law-enforcement or jail officer.

516 B. No resolution, ordinance, rule, contract, regulation or motion adopted, passed or agreed to in a closed  
 517 meeting shall become effective unless the public body, following the meeting, reconvenes in open meeting  
 518 and takes a vote of the membership on such resolution, ordinance, rule, contract, regulation, or motion that  
 519 shall have its substance reasonably identified in the open meeting.

520 C. Public officers improperly selected due to the failure of the public body to comply with the other  
 521 provisions of this section shall be de facto officers and, as such, their official actions are valid until they  
 522 obtain notice of the legal defect in their election.

523 D. Nothing in this section shall be construed to prevent the holding of conferences between two or more  
 524 public bodies, or their representatives, but these conferences shall be subject to the same procedures for  
 525 holding closed meetings as are applicable to any other public body.

526 E. This section shall not be construed to (i) require the disclosure of any contract between the Department  
 527 of Health Professions and an impaired practitioner entered into pursuant to Chapter 25.1 (§ 54.1-2515 et seq.)  
 528 of Title 54.1 or (ii) require the board of directors of any authority created pursuant to the Industrial  
 529 Development and Revenue Bond Act (§ 15.2-4900 et seq.), or any public body empowered to issue industrial  
 530 revenue bonds by general or special law, to identify a business or industry to which subdivision A 5 applies.  
 531 However, such business or industry shall be identified as a matter of public record at least 30 days prior to the  
 532 actual date of the board's authorization of the sale or issuance of such bonds.

533 **§ 2.2-3711. (Effective July 1, 2026) Closed meetings authorized for certain limited purposes.**

534 A. Public bodies may hold closed meetings only for the following purposes:

535 1. Discussion, consideration, or interviews of prospective candidates for employment; assignment,  
 536 appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public  
 537 officers, appointees, or employees of any public body; and evaluation of performance of departments or  
 538 schools of public institutions of higher education where such evaluation will necessarily involve discussion of  
 539 the performance of specific individuals. Any teacher shall be permitted to be present during a closed meeting  
 540 in which there is a discussion or consideration of a disciplinary matter that involves the teacher and some  
 541 student and the student involved in the matter is present, provided that the teacher makes a written request to  
 542 be present to the presiding officer of the appropriate board. Nothing in this subdivision, however, shall be  
 543 construed to authorize a closed meeting by a local governing body or an elected school board to discuss  
 544 compensation matters that affect the membership of such body or board collectively.

545 2. Discussion or consideration of admission or disciplinary matters or any other matters that would  
 546 involve the disclosure of information contained in a scholastic record concerning any student of any public  
 547 institution of higher education in the Commonwealth or any state school system. However, any such student,  
 548 legal counsel and, if the student is a minor, the student's parents or legal guardians shall be permitted to be  
 549 present during the taking of testimony or presentation of evidence at a closed meeting, if such student,  
 550 parents, or guardians so request in writing and such request is submitted to the presiding officer of the  
 551 appropriate board.

552 3. Discussion or consideration of the acquisition of real property for a public purpose, or of the disposition  
 553 of publicly held real property, where discussion in an open meeting would adversely affect the bargaining  
 554 position or negotiating strategy of the public body.

555        4. The protection of the privacy of individuals in personal matters not related to public business.

556        5. Discussion concerning a prospective business or industry or the expansion of an existing business or  
557        industry where no previous announcement has been made of the business' or industry's interest in locating or  
558        expanding its facilities in the community.

559        6. Discussion or consideration of the investment of public funds where competition or bargaining is  
560        involved, where, if made public initially, the financial interest of the governmental unit would be adversely  
561        affected.

562        7. Consultation with legal counsel and briefings by staff members or consultants pertaining to actual or  
563        probable litigation, where such consultation or briefing in open meeting would adversely affect the  
564        negotiating or litigating posture of the public body. For the purposes of this subdivision, "probable litigation"  
565        means litigation that has been specifically threatened or on which the public body or its legal counsel has a  
566        reasonable basis to believe will be commenced by or against a known party. Nothing in this subdivision shall  
567        be construed to permit the closure of a meeting merely because an attorney representing the public body is in  
568        attendance or is consulted on a matter.

569        8. Consultation with legal counsel employed or retained by a public body regarding specific legal matters  
570        requiring the provision of legal advice by such counsel. Nothing in this subdivision shall be construed to  
571        permit the closure of a meeting merely because an attorney representing the public body is in attendance or is  
572        consulted on a matter.

573        9. Discussion or consideration by governing boards of public institutions of higher education of matters  
574        relating to gifts, bequests and fund-raising activities, and of grants and contracts for services or work to be  
575        performed by such institution. However, the terms and conditions of any such gifts, bequests, grants, and  
576        contracts made by a foreign government, a foreign legal entity, or a foreign person and accepted by a public  
577        institution of higher education in the Commonwealth shall be subject to public disclosure upon written  
578        request to the appropriate board of visitors. For the purpose of this subdivision, (i) "foreign government"  
579        means any government other than the United States government or the government of a state or a political  
580        subdivision thereof, (ii) "foreign legal entity" means any legal entity (a) created under the laws of the United  
581        States or of any state thereof if a majority of the ownership of the stock of such legal entity is owned by  
582        foreign governments or foreign persons or if a majority of the membership of any such entity is composed of  
583        foreign persons or foreign legal entities or (b) created under the laws of a foreign government, and (iii)  
584        "foreign person" means any individual who is not a citizen or national of the United States or a trust territory  
585        or protectorate thereof.

586        10. Discussion or consideration by the boards of trustees of the Virginia Museum of Fine Arts, the  
587        Virginia Museum of Natural History, the Jamestown-Yorktown Foundation, the Fort Monroe Authority, and  
588        The Science Museum of Virginia of matters relating to specific gifts, bequests, and grants from private  
589        sources.

590        11. Discussion or consideration of honorary degrees or special awards.

591        12. Discussion or consideration of tests, examinations, or other information used, administered, or  
592        prepared by a public body and subject to the exclusion in subdivision 4 of § 2.2-3705.1.

593        13. Discussion, consideration, or review by the appropriate House or Senate committees of possible  
594        disciplinary action against a member arising out of the possible inadequacy of the disclosure statement filed  
595        by the member, provided that the member may request in writing that the committee meeting not be  
596        conducted in a closed meeting.

597        14. Discussion of strategy with respect to the negotiation of a hazardous waste siting agreement or to  
598        consider the terms, conditions, and provisions of a hazardous waste siting agreement if the governing body in  
599        open meeting finds that an open meeting will have an adverse effect upon the negotiating position of the  
600        governing body or the establishment of the terms, conditions and provisions of the siting agreement, or both.  
601        All discussions with the applicant or its representatives may be conducted in a closed meeting.

602        15. Discussion by the Governor and any economic advisory board reviewing forecasts of economic  
603        activity and estimating general and nongeneral fund revenues.

604        16. Discussion or consideration of medical and mental health records subject to the exclusion in  
605        subdivision 1 of § 2.2-3705.5.

606        17. Deliberations of the Virginia Lottery Board in a licensing appeal action conducted pursuant to  
607        subsection D of § 58.1-4007 regarding the denial or revocation of a license of a lottery sales agent; and  
608        discussion, consideration or review of Virginia Lottery matters related to proprietary lottery game  
609        information and studies or investigations excluded from disclosure under subdivision 6 of § 2.2-3705.3 and  
610        subdivision 11 of § 2.2-3705.7.

611        18. Those portions of meetings in which the State Board of Local and Regional Jails discusses or discloses  
612        the identity of, or information tending to identify, any prisoner who (i) provides information about crimes or  
613        criminal activities, (ii) renders assistance in preventing the escape of another prisoner or in the apprehension  
614        of an escaped prisoner, or (iii) voluntarily or at the instance of a prison official renders other extraordinary  
615        services, the disclosure of which is likely to jeopardize the prisoner's life or safety.

616        19. Discussion of plans to protect public safety as it relates to terrorist activity or specific cybersecurity

617 threats or vulnerabilities and briefings by staff members, legal counsel, or law-enforcement or emergency  
 618 service officials concerning actions taken to respond to such matters or a related threat to public safety;  
 619 discussion of information subject to the exclusion in subdivision 2 or 14 of § 2.2-3705.2, where discussion in  
 620 an open meeting would jeopardize the safety of any person or the security of any facility, building, structure,  
 621 information technology system, or software program; or discussion of reports or plans related to the security  
 622 of any governmental facility, building or structure, or the safety of persons using such facility, building or  
 623 structure.

624 20. Discussion by the Board of the Virginia Retirement System, acting pursuant to § 51.1-124.30, or of  
 625 any local retirement system, acting pursuant to § 51.1-803, or by a local finance board or board of trustees of  
 626 a trust established by one or more local public bodies to invest funds for postemployment benefits other than  
 627 pensions, acting pursuant to Article 8 (§ 15.2-1544 et seq.) of Chapter 15 of Title 15.2, or by the board of  
 628 visitors of the University of Virginia, acting pursuant to § 23.1-2210, or by the Board of the Commonwealth  
 629 Savers Plan, acting pursuant to § 23.1-706, regarding the acquisition, holding or disposition of a security or  
 630 other ownership interest in an entity, where such security or ownership interest is not traded on a  
 631 governmentally regulated securities exchange, to the extent that such discussion (i) concerns confidential  
 632 analyses prepared for the board of visitors of the University of Virginia, prepared by the retirement system, or  
 633 a local finance board or board of trustees, or the Commonwealth Savers Plan or provided to the retirement  
 634 system, a local finance board or board of trustees, or the Commonwealth Savers Plan under a promise of  
 635 confidentiality, of the future value of such ownership interest or the future financial performance of the  
 636 entity, and (ii) would have an adverse effect on the value of the investment to be acquired, held, or disposed  
 637 of by the retirement system, a local finance board or board of trustees, the board of visitors of the University  
 638 of Virginia, or the Commonwealth Savers Plan. Nothing in this subdivision shall be construed to prevent the  
 639 disclosure of information relating to the identity of any investment held, the amount invested or the present  
 640 value of such investment.

641 21. Those portions of meetings in which individual child death cases are discussed by the State Child  
 642 Fatality Review Team established pursuant to § 32.1-283.1, those portions of meetings in which individual  
 643 child death cases are discussed by a regional or local child fatality review team established pursuant to  
 644 § 32.1-283.2, those portions of meetings in which individual death cases are discussed by family violence  
 645 fatality review teams established pursuant to § 32.1-283.3, those portions of meetings in which individual  
 646 adult death cases are discussed by the state Adult Fatality Review Team established pursuant to § 32.1-283.5,  
 647 those portions of meetings in which individual adult death cases are discussed by a local or regional adult  
 648 fatality review team established pursuant to § 32.1-283.6, those portions of meetings in which individual  
 649 death cases are discussed by overdose fatality review teams established pursuant to § 32.1-283.7, those  
 650 portions of meetings in which individual maternal death cases are discussed by the Maternal Mortality  
 651 Review Team pursuant to § 32.1-283.8, and those portions of meetings in which individual death cases of  
 652 persons with developmental disabilities are discussed by the Developmental Disabilities Mortality Review  
 653 Committee established pursuant to § 37.2-314.1.

654 22. Those portions of meetings of the board of visitors of the University of Virginia or Old Dominion  
 655 University, as the case may be, and those portions of meetings of any persons to whom management  
 656 responsibilities for the University of Virginia Medical Center or the Eastern Virginia Health Sciences Center  
 657 at Old Dominion University, as the case may be, have been delegated, in which there is discussed proprietary,  
 658 business-related information pertaining to the operations of the University of Virginia Medical Center or the  
 659 Eastern Virginia Health Sciences Center at Old Dominion University, as the case may be, including business  
 660 development or marketing strategies and activities with existing or future joint venturers, partners, or other  
 661 parties with whom the University of Virginia Medical Center or the Eastern Virginia Health Sciences Center  
 662 at Old Dominion University, as the case may be, has formed, or forms, any arrangement for the delivery of  
 663 health care, if disclosure of such information would adversely affect the competitive position of the  
 664 University of Virginia Medical Center or the Eastern Virginia Health Sciences Center at Old Dominion  
 665 University, as the case may be.

666 23. Discussion or consideration by the Virginia Commonwealth University Health System Authority or  
 667 the board of visitors of Virginia Commonwealth University of any of the following: the acquisition or  
 668 disposition by the Authority of real property, equipment, or technology software or hardware and related  
 669 goods or services, where disclosure would adversely affect the bargaining position or negotiating strategy of  
 670 the Authority; matters relating to gifts or bequests to, and fund-raising activities of, the Authority; grants and  
 671 contracts for services or work to be performed by the Authority; marketing or operational strategies plans of  
 672 the Authority where disclosure of such strategies or plans would adversely affect the competitive position of  
 673 the Authority; and members of the Authority's medical and teaching staffs and qualifications for  
 674 appointments thereto.

675 24. Those portions of the meetings of the Health Practitioners' Monitoring Program Committee within the  
 676 Department of Health Professions to the extent such discussions identify any practitioner who may be, or who  
 677 actually is, impaired pursuant to Chapter 25.1 (§ 54.1-2515 et seq.) of Title 54.1.

678 25. Meetings or portions of meetings of the Board of the Commonwealth Savers Plan wherein personal

679 information, as defined in § 2.2-3801, which has been provided to the Board or its employees by or on behalf  
680 of individuals who have requested information about, applied for, or entered into (i) prepaid tuition contracts  
681 or savings trust account agreements pursuant to ~~Chapter 7 Article 1~~ (§ 23.1-700 et seq.) of *Chapter 7 of Title*  
682 *23.1 or (ii) College Opportunity Fund Scholarship agreements pursuant to Article 2* (§ 23.1-714 et seq.) of  
683 *Chapter 7 of Title 23.1* is discussed.

684 26. Discussion or consideration, by the former Wireless Carrier E-911 Cost Recovery Subcommittee  
685 created pursuant to former § 56-484.15, of trade secrets submitted by CMRS providers, as defined in  
686 § 56-484.12, related to the provision of wireless E-911 service.

687 27. Those portions of disciplinary proceedings by any regulatory board within the Department of  
688 Professional and Occupational Regulation, Department of Health Professions, or the Board of Accountancy  
689 conducted pursuant to § 2.2-4019 or 2.2-4020 during which the board deliberates to reach a decision or  
690 meetings of health regulatory boards or conference committees of such boards to consider settlement  
691 proposals in pending disciplinary actions or modifications to previously issued board orders as requested by  
692 either of the parties.

693 28. Discussion or consideration of information subject to the exclusion in subdivision 11 of § 2.2-3705.6  
694 by a responsible public entity or an affected locality or public entity, as those terms are defined in  
695 § 33.2-1800, or any independent review panel appointed to review information and advise the responsible  
696 public entity concerning such records.

697 29. Discussion of the award of a public contract involving the expenditure of public funds, including  
698 interviews of bidders or offerors, and discussion of the terms or scope of such contract, where discussion in  
699 an open session would adversely affect the bargaining position or negotiating strategy of the public body.

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701 subdivision 17 of § 2.2-3705.6 by the Commonwealth Health Research Board.

702 31. Discussion or consideration by the Commitment Review Committee of information subject to the  
703 exclusion in subdivision 5 of § 2.2-3705.2 relating to individuals subject to commitment as sexually violent  
704 predators under Chapter 9 (§ 37.2-900 et seq.) of Title 37.2.

705 32. Discussion or consideration of confidential proprietary information and trade secrets developed and  
706 held by a local public body providing certain telecommunication services or cable television services and  
707 subject to the exclusion in subdivision 18 of § 2.2-3705.6. However, the exemption provided by this  
708 subdivision shall not apply to any authority created pursuant to the BVU Authority Act (§ 15.2-7200 et seq.).

709 33. Discussion or consideration by a local authority created in accordance with the Virginia Wireless  
710 Service Authorities Act (§ 15.2-5431.1 et seq.) of confidential proprietary information and trade secrets  
711 subject to the exclusion in subdivision 19 of § 2.2-3705.6.

712 34. Discussion or consideration by the State Board of Elections or local electoral boards of voting security  
713 matters made confidential pursuant to § 24.2-410.2 or 24.2-625.1 and review by the State Board of Elections  
714 of complaints related to the personal use of campaign funds pursuant to § 24.2-948.7.

715 35. Discussion or consideration by the Forensic Science Board or the Scientific Advisory Committee  
716 created pursuant to Article 2 (§ 9.1-1109 et seq.) of Chapter 11 of Title 9.1 of criminal investigative files.

717 36. Discussion or consideration by the Brown v. Board of Education Scholarship Committee of  
718 information or confidential matters subject to the exclusion in subdivision A 3 of § 2.2-3705.4, and meetings  
719 of the Committee to deliberate concerning the annual maximum scholarship award, review and consider  
720 scholarship applications and requests for scholarship award renewal, and cancel, rescind, or recover  
721 scholarship awards.

722 37. Discussion or consideration by the Virginia Port Authority of information subject to the exclusion in  
723 subdivision 1 of § 2.2-3705.6 related to certain proprietary information gathered by or for the Virginia Port  
724 Authority.

725 38. Discussion or consideration by the Board of Trustees of the Virginia Retirement System acting  
726 pursuant to § 51.1-124.30, by the Investment Advisory Committee appointed pursuant to § 51.1-124.26, by  
727 any local retirement system, acting pursuant to § 51.1-803, by the Board of the Commonwealth Savers Plan  
728 acting pursuant to *subdivision C 2 of § 23.1-701 or § 23.1-706*, or by the Commonwealth Savers Plan's  
729 Investment Advisory Committee appointed pursuant to § 23.1-702 of information subject to the exclusion in  
730 subdivision 24 of § 2.2-3705.7.

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732 related to economic development.

733 40. Discussion or consideration by the Board of Education of information relating to the denial,  
734 suspension, or revocation of teacher licenses subject to the exclusion in subdivision 11 of § 2.2-3705.3.

735 41. Those portions of meetings of the Virginia Military Advisory Council or any commission created by  
736 executive order for the purpose of studying and making recommendations regarding preventing closure or  
737 realignment of federal military and national security installations and facilities located in Virginia and  
738 relocation of such facilities to Virginia, or a local or regional military affairs organization appointed by a  
739 local governing body, during which there is discussion of information subject to the exclusion in subdivision  
740 8 of § 2.2-3705.2.

741 42. Discussion or consideration by the Board of Trustees of the Veterans Services Foundation of  
 742 information subject to the exclusion in subdivision 28 of § 2.2-3705.7 related to personally identifiable  
 743 information of donors.

744 43. Discussion or consideration by the Virginia Tobacco Region Revitalization Commission of  
 745 information subject to the exclusion in subdivision 23 of § 2.2-3705.6 related to certain information contained  
 746 in grant applications.

747 44. Discussion or consideration by the board of directors of the Commercial Space Flight Authority of  
 748 information subject to the exclusion in subdivision 24 of § 2.2-3705.6 related to rate structures or charges for  
 749 the use of projects of, the sale of products of, or services rendered by the Authority and certain proprietary  
 750 information of a private entity provided to the Authority.

751 45. Discussion or consideration of personal and proprietary information related to the resource  
 752 management plan program and subject to the exclusion in (i) subdivision 25 of § 2.2-3705.6 or (ii) subsection  
 753 E of § 10.1-104.7. This exclusion shall not apply to the discussion or consideration of records that contain  
 754 information that has been certified for release by the person who is the subject of the information or  
 755 transformed into a statistical or aggregate form that does not allow identification of the person who supplied,  
 756 or is the subject of, the information.

757 46. Discussion or consideration by the Board of Directors of the Virginia Alcoholic Beverage Control  
 758 Authority of information subject to the exclusion in subdivision 1 of § 2.2-3705.3 related to investigations of  
 759 applicants for licenses and permits and of licensees and permittees.

760 47. Discussion or consideration of grant, loan, or investment application records subject to the exclusion  
 761 in subdivision 28 of § 2.2-3705.6 for a grant, loan, or investment pursuant to Article 11 (§ 2.2-2351 et seq.)  
 762 of Chapter 22.

763 48. Discussion or development of grant proposals by a regional council established pursuant to Article 26  
 764 (§ 2.2-2484 et seq.) of Chapter 24 to be submitted for consideration to the Virginia Growth and Opportunity  
 765 Board.

766 49. Discussion or consideration of (i) individual sexual assault cases by a sexual assault response team  
 767 established pursuant to § 15.2-1627.4, (ii) individual child abuse or neglect cases or sex offenses involving a  
 768 child by a child sexual abuse response team established pursuant to § 15.2-1627.5, (iii) individual cases  
 769 involving abuse, neglect, or exploitation of adults as defined in § 63.2-1603 pursuant to §§ 15.2-1627.5 and  
 770 63.2-1605, or (iv) individual human trafficking cases by any human trafficking response team established  
 771 pursuant to § 15.2-1627.6.

772 50. Discussion or consideration by the Board of the Virginia Economic Development Partnership  
 773 Authority, the Joint Legislative Audit and Review Commission, or any subcommittees thereof, of the portions  
 774 of the strategic plan, marketing plan, or operational plan exempt from disclosure pursuant to subdivision 33  
 775 of § 2.2-3705.7.

776 51. Those portions of meetings of the subcommittee of the Board of the Virginia Economic Development  
 777 Partnership Authority established pursuant to subsection F of § 2.2-2237.3 to review and discuss information  
 778 received from the Virginia Employment Commission pursuant to subdivision C 2 of § 60.2-114 and the  
 779 Department of Workforce Development and Advancement pursuant to subsection B of § 2.2-2040.

780 52. Discussion or consideration by the Commonwealth of Virginia Innovation Partnership Authority (the  
 781 Authority), an advisory committee of the Authority, or any other entity designated by the Authority, of  
 782 information subject to the exclusion in subdivision 35 of § 2.2-3705.7.

783 53. Deliberations of the Virginia Lottery Board conducted pursuant to § 58.1-4105 regarding the denial or  
 784 revocation of a license of a casino gaming operator, or the refusal to issue, suspension of, or revocation of  
 785 any license or permit related to casino gaming, and discussion, consideration, or review of matters related to  
 786 investigations excluded from mandatory disclosure under subdivision 1 of § 2.2-3705.3.

787 54. Deliberations of the Virginia Lottery Board in an appeal conducted pursuant to § 58.1-4007 regarding  
 788 the denial of, revocation of, suspension of, or refusal to renew any license or permit related to sports betting  
 789 and any discussion, consideration, or review of matters related to investigations excluded from mandatory  
 790 disclosure under subdivision 1 of § 2.2-3705.3.

791 55. Meetings or portions of meetings of the Board of Criminal Justice Services or the Department of  
 792 Criminal Justice Services concerning the decertification of an identifiable law-enforcement or jail officer.

793 B. No resolution, ordinance, rule, contract, regulation or motion adopted, passed or agreed to in a closed  
 794 meeting shall become effective unless the public body, following the meeting, reconvenes in open meeting  
 795 and takes a vote of the membership on such resolution, ordinance, rule, contract, regulation, or motion that  
 796 shall have its substance reasonably identified in the open meeting.

797 C. Public officers improperly selected due to the failure of the public body to comply with the other  
 798 provisions of this section shall be de facto officers and, as such, their official actions are valid until they  
 799 obtain notice of the legal defect in their election.

800 D. Nothing in this section shall be construed to prevent the holding of conferences between two or more  
 801 public bodies, or their representatives, but these conferences shall be subject to the same procedures for  
 802 holding closed meetings as are applicable to any other public body.

803       E. This section shall not be construed to (i) require the disclosure of any contract between the Department  
804 of Health Professions and an impaired practitioner entered into pursuant to Chapter 25.1 (§ 54.1-2515 et seq.)  
805 of Title 54.1 or (ii) require the board of directors of any authority created pursuant to the Industrial  
806 Development and Revenue Bond Act (§ 15.2-4900 et seq.), or any public body empowered to issue industrial  
807 revenue bonds by general or special law, to identify a business or industry to which subdivision A 5 applies.  
808 However, such business or industry shall be identified as a matter of public record at least 30 days prior to the  
809 actual date of the board's authorization of the sale or issuance of such bonds.

## CHAPTER 7.

### COMMONWEALTH SAVERS PLAN AND ABLE SAVINGS TRUST ACCOUNTS; VIRGINIA COLLEGE OPPORTUNITY ENDOWMENT AND FUND.

#### Article 1.

##### *Commonwealth Savers Plan and ABLE Savings Trust Accounts.*

###### **§ 23.1-700. Definitions.**

As used in this ~~chapter~~ *article*, unless the context requires a different meaning:

"ABLE savings trust account" means an account established pursuant to this ~~chapter~~ *article* to assist individuals and families to save private funds to support individuals with disabilities to maintain health, independence, and quality of life, with such account used to apply distributions for qualified disability expenses for an eligible individual, as both such terms are defined in § 529A of the Internal Revenue Code of 1986, as amended, or other applicable federal law.

"Board" means the governing board of the Plan.

"College savings trust account" means an account established pursuant to this ~~chapter~~ *article* to assist individuals and families to enhance the accessibility and affordability of higher education, with such account used to apply distributions from the account toward qualified higher education expenses, as that term is defined in § 529 of the Internal Revenue Code of 1986, as amended, or other applicable federal law.

"Contributor" means a person who contributes money to a savings trust account established pursuant to this ~~chapter~~ *article* on behalf of a qualified beneficiary and who is listed as the owner of the savings trust account.

"DB529 Fund" means the subfund of the Fund established in subsection C of § 23.1-701 that holds the assets of the prepaid tuition contracts established pursuant to § 23.1-707 (the Defined Benefit 529 Program) in trust to meet contractual obligations.

"Non-Virginia public and accredited nonprofit independent or private institutions of higher education" means public and accredited nonprofit independent or private institutions of higher education that are located outside the Commonwealth.

"Opportunity Fund" means the Virginia College Opportunity Fund created as a subfund of the Fund established pursuant to subsection C of § 23.1-701.

"Plan" means the Commonwealth Savers Plan.

"Prepaid tuition contract" means the contract or account entered into by the board and a purchaser pursuant to this ~~chapter~~ *article* for the advance payment of tuition at a fixed, guaranteed level for a qualified beneficiary to attend any public institution of higher education to which the qualified beneficiary is admitted.

"Public institution of higher education" has the same meaning as provided in § 23.1-100.

"Purchaser" means a person who makes or is obligated to make advance payments in accordance with a prepaid tuition contract and who is listed as the owner of the prepaid tuition contract.

"Qualified beneficiary" or "beneficiary" means (i) a resident of the Commonwealth, as determined by the board, who is the beneficiary of a prepaid tuition contract and who may apply advance tuition payments to tuition as set forth in this ~~chapter~~ *article*; (ii) a beneficiary of a prepaid tuition contract purchased by a resident of the Commonwealth, as determined by the board, who may apply advance tuition payments to tuition as set forth in this ~~chapter~~ *article*; or (iii) a beneficiary of a savings trust account established pursuant to this ~~chapter~~ *article*.

"Savings trust account" means an ABLE savings trust account or a college savings trust account.

"Savings trust agreement" means the agreement entered into by the board and a contributor that establishes a savings trust account.

"Tuition" means the quarter, semester, or term charges imposed for undergraduate tuition by any public institution of higher education and all mandatory fees required as a condition of enrollment of all students. At the discretion of the board, a beneficiary may apply benefits under a prepaid tuition contract and distributions from a college savings trust account (i) toward graduate-level tuition and (ii) toward qualified higher education expenses, as that term is defined in 26 U.S.C. § 529 or any other applicable section of the Internal Revenue Code of 1986, as amended.

###### **§ 23.1-701. Plan established; moneys; governing board.**

A. To enhance the accessibility and affordability of higher education for all citizens of the Commonwealth, and assist families and individuals to save for qualified disability expenses, the Commonwealth Savers Plan is established as a body politic and corporate and an independent agency of the Commonwealth.

865        B. Moneys of the Plan that are contributions to savings trust accounts made pursuant to this ~~chapter~~  
 866 *article*, except as otherwise authorized or provided in this ~~chapter~~ *article*, shall be deposited as soon as  
 867 practicable in a separate account or separate accounts in banks or trust companies organized under the laws of  
 868 the Commonwealth, national banking associations, federal home loan banks, or, to the extent permitted by  
 869 law, savings institutions organized under the laws of the Commonwealth or the United States. The savings  
 870 program moneys in such accounts shall be paid out on checks, drafts payable on demand, electronic wire  
 871 transfers, or other means authorized by officers or employees of the Plan.

872        C. 1. All other moneys of the Plan, including payments received pursuant to prepaid tuition contracts,  
 873 bequests, endowments, grants from the United States government or its agencies or instrumentalities, and any  
 874 other available public or private sources of funds shall be first deposited in the state treasury in a special  
 875 nonreverting fund (the Fund). Such moneys shall then be deposited as soon as practicable in a separate  
 876 account or separate accounts in banks or trust companies organized under the laws of the Commonwealth,  
 877 national banking associations, federal home loan banks, or, to the extent permitted by law, savings  
 878 institutions organized under the laws of the Commonwealth or the United States. Benefits relating to prepaid  
 879 tuition contracts and Plan operating expenses shall be paid from the Fund. *Any Except as provided in*  
 880 *subdivision 2, any moneys remaining in the Fund at the end of a biennium shall not revert to the general fund*  
 881 *but shall remain in the Fund. Interest and income earned from the investment of such funds shall remain in*  
 882 *the Fund and be credited to it. The Fund shall consist of the DB529 Fund and the Opportunity Fund, each*  
 883 *established as a subfund of the Fund.*

884        2. *After the fiscal year beginning July 1, 2026, the Plan shall deposit \$500 million from the DB529 Fund*  
 885 *into the Opportunity Fund. Each fiscal year thereafter, within 45 days after the actuarial valuation performed*  
 886 *in accordance with §§ 23.1-706 and 23.1-710 for each fiscal year is finalized, but by no later than November*  
 887 *30 of the subsequent fiscal year, the Plan shall submit to the Chairs of the House Committee on*  
 888 *Appropriations and the Senate Committee on Finance and Appropriations a report on the current funded*  
 889 *status, as defined in § 23.1-707.1, of the DB529 Fund and the recommendation of the Plan as to the prudence*  
 890 *of directing additional deposits of actuarial surpluses into the Opportunity Fund. In making such*  
 891 *recommendation, the Plan shall determine whether (i) the funded status of the DB529 Fund does not meet or*  
 892 *exceed 125 percent, (ii) any recommended transfers would violate the standard of care specified in*  
 893 *§ 23.1-706, (iii) any recommended transfers would result in there being insufficient funds to ensure the*  
 894 *actuarial soundness of the Plan, or (iv) any recommended transfers would jeopardize the ability of the Plan*  
 895 *to meet any obligation incurred under the provisions of this article.*

896        3. *The Joint Legislative Audit and Review Commission shall no less than biennially complete an*  
 897 *independent evaluation and risk assessment of the Plan's risk assessment model, assumptions, and other*  
 898 *measures employed by the Plan related to the DB529 Fund and the Opportunity Fund, including the financial*  
 899 *stability and ability to meet current and future obligations in each fund, and whether recommendations are*  
 900 *appropriate in amounts to fully support the Endowment Scholarship Program. Such evaluation shall include*  
 901 *an assessment of each recommendation made by the Plan pursuant to subdivision 2.*

902        D. The Plan may maintain an independent disbursement system for the disbursement of prepaid tuition  
 903 contract benefits and, in connection with such system, open and maintain a separate account or separate  
 904 accounts in banks or trust companies organized under the laws of the Commonwealth, national banking  
 905 associations, federal home loan banks, or, to the extent permitted by law, savings institutions organized under  
 906 the laws of the Commonwealth or the United States. Such independent disbursement system and any related  
 907 procedures shall be subject to review and approval by the State Comptroller. Nothing in this subsection shall  
 908 be construed to relieve the Plan of its duty to provide prepaid tuition contract benefit transactions to the  
 909 Commonwealth's system of general accounting maintained by the State Comptroller pursuant to § 2.2-802.

910        E. The Plan shall be administered by an 11-member board that consists of (i) the Executive Director of the  
 911 Council or his designee, the Chancellor of the Virginia Community College System or his designee, the State  
 912 Treasurer or his designee, and the State Comptroller or his designee, all of whom shall serve ex officio with  
 913 voting privileges, and (ii) seven nonlegislative citizen members, four of whom shall be appointed by the  
 914 Governor, one of whom shall be appointed by the Senate Committee on Rules, two of whom shall be  
 915 appointed by the Speaker of the House of Delegates, and all of whom shall have significant experience in  
 916 finance, accounting, law, investment management, higher education, or disability advocacy. In addition, at  
 917 least one of the nonlegislative citizen members shall have expertise in the management and administration of  
 918 private defined contribution retirement plans.

919        F. Members appointed to the board shall serve terms of four years. Vacancies occurring other than by  
 920 expiration of a term shall be filled for the unexpired term. No member appointed to the board shall serve  
 921 more than two consecutive four-year terms; however, a member appointed to serve an unexpired term is  
 922 eligible to serve two consecutive four-year terms immediately succeeding such unexpired term.

923        G. Ex officio members of the board shall serve terms coincident with their terms of office.

924        H. Members of the board shall receive no compensation but shall be reimbursed for actual expenses  
 925 incurred in the performance of their duties.

926        I. The board shall elect from its membership a chairman and a vice-chairman annually.

927 J. A majority of the members of the board shall constitute a quorum.

928 **§ 23.1-704. Powers and duties of the board.**

929 The board shall:

930 1. Administer the Plan established by this ~~chapter~~ *article*;

931 2. Develop and implement programs for (i) the prepayment of undergraduate tuition, as defined in  
932 § 23.1-700, at a fixed, guaranteed level for application at a public institution of higher education; (ii)  
933 contributions to college savings trust accounts established pursuant to this ~~chapter~~ *article* on behalf of a  
934 qualified beneficiary in order to apply distributions from the account toward qualified higher education  
935 expenses, as that term is defined in § 529 of the Internal Revenue Code of 1986, as amended, or other  
936 applicable federal law; and (iii) contributions to ABLE savings trust accounts established pursuant to this  
937 ~~chapter~~ *article* on behalf of a qualified beneficiary in order to apply distributions from the account toward  
938 qualified disability expenses for an eligible individual, as both such terms are defined in § 529A of the  
939 Internal Revenue Code of 1986, as amended, or other applicable federal law;

940 3. Invest moneys in the Plan *and in the Opportunity Fund* in any instruments, obligations, securities, or  
941 property deemed appropriate by the board;

942 4. Develop requirements, procedures, and guidelines regarding prepaid tuition contracts and savings trust  
943 accounts, including residency and other eligibility requirements; the number of participants in the Plan; the  
944 termination, withdrawal, or transfer of payments under a prepaid tuition contract or savings trust account;  
945 time limitations for the use of tuition benefits or savings trust account distributions; and payment schedules;

946 5. Enter into contractual agreements, including contracts for legal, actuarial, financial, and consulting  
947 services and contracts with other states to provide savings trust accounts for residents of contracting states;

948 6. Procure insurance as determined appropriate by the board (i) against any loss in connection with the  
949 Plan's property, assets, or activities and (ii) indemnifying board members from personal loss or accountability  
950 from liability arising from any action or inaction as a board member;

951 7. Make arrangements with public institutions of higher education to fulfill obligations under prepaid  
952 tuition contracts and apply college savings trust account distributions, including (i) payment from the Plan of  
953 the appropriate amount of tuition on behalf of a qualified beneficiary of a prepaid tuition contract to the  
954 institution to which the beneficiary is admitted and at which the beneficiary is enrolled and (ii) application of  
955 such benefits toward graduate-level tuition and toward qualified higher education expenses, as that term is  
956 defined in 26 U.S.C. § 529 or any other applicable section of the Internal Revenue Code of 1986, as  
957 amended, as determined by the board in its sole discretion;

958 8. Develop and implement scholarship or matching grant programs, or both, as the board may deem  
959 appropriate, to further its goal of making higher education more affordable and accessible to all citizens of  
960 the Commonwealth;

961 9. Apply for, accept, and expend gifts, grants, or donations from public or private sources to enable it to  
962 carry out its objectives;

963 10. Adopt regulations and procedures and perform any act or function consistent with the purposes of this  
964 ~~chapter~~ *article*; and

965 11. Reimburse, at its option, all or part of the cost of employing legal counsel and such other costs as are  
966 demonstrated to have been reasonably necessary for the defense of any board member, officer, or employee  
967 of the Plan upon the acquittal, dismissal of charges, nolle prosequi, or any other final disposition concluding  
968 the innocence of such member, officer, or employee who is brought before any regulatory body, summoned  
969 before any grand jury, investigated by any law-enforcement agency, arrested, indicted, or otherwise  
970 prosecuted on any criminal charge arising out of any act committed in the discharge of his official duties that  
971 alleges a violation of state or federal securities laws. The board shall provide for the payment of such legal  
972 fees and expenses out of funds appropriated or otherwise available to the board; and

973 12. Assist the Virginia College Opportunity Endowment in the administration of the Endowment  
974 Scholarship Program, as defined in § 23.1-714, and manage the assets of the Opportunity Fund.

975 **§ 23.1-706. Standard of care; investment and administration of the Plan.**

976 A. In acquiring, investing, reinvesting, exchanging, retaining, selling, and managing property for the  
977 benefit of the Plan, the board, and any person, investment manager, or committee to whom the board  
978 delegates any of its investment authority, shall act as trustee and shall exercise the judgment of care under the  
979 circumstances then prevailing that persons of prudence, discretion, and intelligence exercise in the  
980 management of their own affairs, not in regard to speculation but to the permanent disposition of funds,  
981 considering the probable income and the probable safety of their capital.

982 If the annual accounting and audit required by § 23.1-710 reveal that there are insufficient funds to ensure  
983 the actuarial soundness of the Plan, the board may adjust the terms of subsequent prepaid tuition contracts,  
984 arrange refunds for current purchasers to ensure actuarial soundness, or take such other action the board  
985 deems appropriate.

986 B. The *Except as provided in subdivision C 2 of § 23.1-701*, assets of the Plan shall be preserved,  
987 invested, and expended solely pursuant to and for the purposes of this ~~chapter~~ *article* and shall not be loaned  
988 or otherwise transferred or used by the Commonwealth for any other purpose. Within the standard of care set

989 forth in subsection A, the board and any person, investment manager, or committee to whom the board  
 990 delegates any of its investment authority, may acquire and retain any kind of property and any kind of  
 991 investment, including (i) debentures and other corporate obligations of foreign or domestic corporations; (ii)  
 992 common or preferred stocks traded on foreign or domestic stock exchanges; (iii) not less than all of the stock  
 993 or 100 percent ownership of a corporation or other entity organized by the board under the laws of the  
 994 Commonwealth for the purposes of acquiring and retaining real property that the board may acquire and  
 995 retain under this ~~chapter article~~; and (iv) securities of any open-end or closed-end management type  
 996 investment company or investment trust registered under the federal Investment Company Act of 1940, as  
 997 amended, including investment companies or investment trusts that, in turn, invest in the securities of such  
 998 investment companies or investment trusts that persons of prudence, discretion, and intelligence acquire or  
 999 retain for their own account. The board may retain property properly acquired without time limitation and  
 1000 without regard to its suitability for original purchase.

1001 All provisions of this subsection shall also apply to the portion of the Plan assets attributable to savings  
 1002 trust account contributions and the earnings on such contributions.

1003 C. The selection of services relating to the operation and administration of the Plan, including contracts or  
 1004 agreements for the management, purchase, or sale of authorized investments or actuarial, recordkeeping, or  
 1005 consulting services, are governed by the standard of care set forth in subsection A and are not subject to the  
 1006 provisions of the Virginia Public Procurement Act (§ 2.2-4300 et seq.).

1007 D. No board member or person, investment manager, or committee to whom the board delegates any of its  
 1008 investment authority who acts in accordance with the standard of care set forth in subsection A shall be held  
 1009 personally liable for losses suffered by the Plan on investments made pursuant to this ~~chapter article~~.

1010 E. To the extent necessary to lawfully administer the Plan and in order to comply with federal, state, and  
 1011 local tax reporting requirements, the Plan may obtain all necessary social security account or tax  
 1012 identification numbers and such other data as the Plan deems necessary for such purposes, whether from a  
 1013 contributor, a purchaser, or another state agency.

1014 F. This section shall not be construed to prohibit the Plan's investment, by purchase or otherwise, in  
 1015 bonds, notes, or other obligations of the Commonwealth or its agencies and instrumentalities.

**§ 23.1-707. Prepaid tuition contracts and college and ABLE savings trust agreements.**

1016 A. Each prepaid tuition contract made pursuant to this ~~chapter article~~ shall include the following terms  
 1017 and provisions:

1018 1. The amount of payment or payments and the number of payments required from a purchaser on behalf  
 1019 of a qualified beneficiary;

1020 2. The terms and conditions under which purchasers shall remit payments, including the dates of such  
 1021 payments;

1022 3. Provisions for late payment charges, defaults, withdrawals, refunds, and any penalties;

1023 4. The name and date of birth of the qualified beneficiary on whose behalf the contract is made;

1024 5. Terms and conditions for a substitution for the qualified beneficiary originally named;

1025 6. Terms and conditions for termination of the contract, including any refunds, withdrawals, or transfers  
 1026 of tuition prepayments, and the name of the person entitled to terminate the contract;

1027 7. The time period during which the qualified beneficiary is required to claim benefits from the Plan;

1028 8. The number of credit hours or quarters, semesters, terms, or units contracted for by the purchaser, as  
 1029 applicable;

1030 9. All other rights and obligations of the purchaser and the trust; and

1031 10. Any other terms and conditions that the board deems necessary or appropriate, including those  
 1032 necessary to conform the contract with the requirements of § 529 of the Internal Revenue Code of 1986, as  
 1033 amended, which specifies the requirements for qualified state tuition programs.

1034 B. Each college savings trust agreement made pursuant to this ~~chapter article~~ shall include the following  
 1035 terms and provisions:

1036 1. The maximum and minimum contribution allowed on behalf of each qualified beneficiary for the  
 1037 payment of qualified higher education expenses, as that term is defined in § 529 of the Internal Revenue Code  
 1038 of 1986, as amended, or other applicable federal law;

1039 2. Provisions for withdrawals, refunds, transfers, and any penalties;

1040 3. The name, address, and date of birth of the qualified beneficiary on whose behalf the savings trust  
 1041 account is opened;

1042 4. Terms and conditions for a substitution for the qualified beneficiary originally named;

1043 5. Terms and conditions for termination of the account, including any refunds, withdrawals, or transfers,  
 1044 and applicable penalties, and the name of the person entitled to terminate the account;

1045 6. The time period during which the qualified beneficiary is required to use benefits from the savings trust  
 1046 account;

1047 7. All other rights and obligations of the contributor and the Plan; and

1048 8. Any other terms and conditions that the board deems necessary or appropriate, including those  
 1049 necessary to conform the savings trust account with the requirements of § 529 of the Internal Revenue Code

1050

1051 of 1986, as amended, or other applicable federal law.

1052 C. Each ABLE savings trust agreement made pursuant to this ~~chapter~~ *article* shall include the following  
1053 terms and provisions:

1054 1. The maximum and minimum annual contribution and maximum account balance allowed on behalf of  
1055 each qualified beneficiary for the payment of qualified disability expenses, as defined in § 529A of the  
1056 Internal Revenue Code of 1986, as amended, or other applicable federal law;

1057 2. Provisions for withdrawals, refunds, transfers, return of excess contributions, and any penalties;

1058 3. The name, address, and date of birth of the qualified beneficiary on whose behalf the savings trust  
1059 account is opened;

1060 4. Terms and conditions for a substitution for the qualified beneficiary originally named;

1061 5. Terms and conditions for termination of the account, including any transfers to the state upon the death  
1062 of the qualified beneficiary, refunds, withdrawals, transfers, applicable penalties, and the name of the person  
1063 entitled to terminate the account;

1064 6. The time period during which the qualified beneficiary is required to use benefits from the savings trust  
1065 account;

1066 7. All other rights and obligations of the contributor and the Plan; and

1067 8. Any other terms and conditions that the board deems necessary or appropriate, including those  
1068 necessary to conform the savings trust account with the requirements of § 529A of the Internal Revenue Code  
1069 of 1986, as amended, or other applicable federal law.

1070 D. In addition to the provisions required by subsection A, each prepaid tuition contract entered into prior  
1071 to July 1, 2019, shall include provisions for the application of tuition prepayments (i) at accredited nonprofit  
1072 independent or private institutions of higher education, including actual interest and income earned on such  
1073 prepayments, and (ii) at non-Virginia public and accredited nonprofit independent or private institutions of  
1074 higher education, including principal and reasonable return on such principal as determined by the board.  
1075 Payments authorized for accredited nonprofit independent or private institutions of higher education shall not  
1076 exceed the projected highest payment made for tuition at a public institution of higher education in the same  
1077 academic year, less a fee to be determined by the board. Payments authorized for non-Virginia public and  
1078 accredited nonprofit independent or private institutions of higher education shall not exceed the projected  
1079 average payment made for tuition at a public institution of higher education in the same academic year, less a  
1080 fee to be determined by the board. In no event, however, shall the benefit paid on any prepaid tuition contract  
1081 entered into prior to July 1, 2019, be less than the sum of tuition prepayments made and a reasonable return  
1082 on such prepayments to be determined by the board, less any fees determined by the board.

1083 E. In addition to the provisions required by subsection A, each prepaid tuition contract entered into on or  
1084 after July 1, 2019, shall include provisions for the application of tuition prepayments, at a rate equal to the  
1085 percentage of enrollment-weighted average tuition at public institutions of higher education to be determined  
1086 by the board, at (i) public institutions of higher education, (ii) accredited nonprofit independent or private  
1087 institutions of higher education, and (iii) non-Virginia public and accredited nonprofit independent or private  
1088 institutions of higher education. In no event, however, shall the benefit paid on any prepaid tuition contract  
1089 entered into on or after July 1, 2019, be less than tuition prepayments made, less any fees as determined by  
1090 the board.

1091 F. All prepaid tuition contracts and savings trust agreements shall specifically provide that if after a  
1092 specified period of time the contract or savings trust agreement has not been terminated and the qualified  
1093 beneficiary's rights have not been exercised, the board, after making a reasonable effort to contact the  
1094 purchaser or contributor and the qualified beneficiary or their agents, shall report such unclaimed moneys to  
1095 the State Treasurer pursuant to § 55.1-2524.

1096 G. 1. Notwithstanding any provision of law to the contrary, money in the Plan is exempt from creditor  
1097 process, is not liable to attachment, garnishment, or other process, and shall not be seized, taken,  
1098 appropriated, or applied by any legal or equitable process or operation of law to pay any debt or liability of  
1099 any purchaser, contributor, or beneficiary. Unless required by federal law, the Commonwealth, its agencies,  
1100 and its instrumentalities shall not seek payment pursuant to 26 U.S.C. § 529A from any ABLE savings trust  
1101 account or its proceeds for benefits provided to the beneficiary of the account and shall not undertake estate  
1102 recovery from any ABLE savings trust account pursuant to 26 U.S.C. § 529A.

1103 2. Unless prohibited by federal law, the beneficiary of an ABLE savings trust account may appoint a  
1104 survivor. In the event of the beneficiary's death, if the survivor is (i) an eligible individual, as defined in 26  
1105 U.S.C. § 529A(e), then such survivor shall become the beneficiary of the ABLE savings trust account or (ii)  
1106 not an eligible individual, as defined in 26 U.S.C. § 529A(e), then any proceeds remaining after final  
1107 distributions have been made on behalf of the deceased beneficiary shall be distributed to the survivor and the  
1108 account shall be closed.

1109 H. Notwithstanding any other provision of state law that requires consideration of one or more financial  
1110 circumstances of an individual for the purpose of determining (i) the individual's eligibility to receive any  
1111 assistance or benefit pursuant to such provision of state law or (ii) the amount of any such assistance or

1112 benefit that such individual is eligible to receive pursuant to such provision of state law, any (a) moneys in an  
 1113 ABLE savings trust account for which such individual is the beneficiary, including any interest on such  
 1114 moneys, (b) contributions to an ABLE savings trust account for which such individual is the beneficiary, and  
 1115 (c) distribution for qualified disability expenses for such individual from an ABLE savings trust account for  
 1116 which such individual is the beneficiary shall be disregarded for such purpose with respect to any period  
 1117 during which such individual remains the beneficiary of, makes contributions to, or receives distributions for  
 1118 qualified disability expenses from such ABLE savings trust account.

1119 I. No prepaid tuition contract or savings trust account shall be assigned for the benefit of creditors, used as  
 1120 security or collateral for any loan, or otherwise subject to alienation, sale, transfer, assignment, pledge,  
 1121 encumbrance, or charge.

1122 J. The board's decision on any dispute, claim, or action arising out of or relating to a prepaid tuition  
 1123 contract or savings trust agreement made or entered into pursuant to this ~~chapter article~~ or benefits under  
 1124 such prepaid tuition contract or savings trust agreement shall be considered a case decision as defined in  
 1125 § 2.2-4001 and all proceedings related to such dispute, claim, or action shall be conducted pursuant to Article  
 1126 3 (§ 2.2-4018 et seq.) of the Administrative Process Act. Judicial review shall be provided exclusively  
 1127 pursuant to Article 5 (§ 2.2-4025 et seq.) of the Administrative Process Act.

1128 **§ 23.1-711. Admission to institutions not guaranteed; coverage limitations.**

1129 Nothing in this ~~chapter article~~ or in any prepaid tuition contract or savings trust agreement entered into  
 1130 pursuant to this ~~chapter article~~ shall be construed as a promise or guarantee:

1131 1. By the board or the Commonwealth of any admission to, continued enrollment at, or graduation from  
 1132 any public institution of higher education;

1133 2. That the beneficiary's cost of tuition at an institution of higher education will be covered in full by the  
 1134 proceeds of the beneficiary's prepaid tuition contract, provided, however, that a prepaid tuition contract will  
 1135 cover that portion of tuition that is required under the terms of any such contract based on the tuition  
 1136 prepayments made; or

1137 3. That any qualified higher education expense will be covered in full by contributions to or earnings on  
 1138 any savings trust account.

1139 **§ 23.1-713. Liberal construction of article.**

1140 Insofar as the provisions of this ~~chapter article~~ are inconsistent with the provisions of any other general,  
 1141 special, or local law, the provisions of this ~~chapter article~~ shall control. This ~~chapter article~~ constitutes full  
 1142 and complete authority, without regard to the provisions of any other law, for performing the acts authorized  
 1143 in this ~~chapter article~~ and shall be liberally construed to effect the purposes of this ~~chapter article~~.

1144 *Article 2.*

1145 *Virginia College Opportunity Endowment and Fund.*

1146 **§ 23.1-714. Definitions.**

1147 *As used in this article, unless the context requires a different meaning:*

1148 *"Board" means the governing board of the Endowment.*

1149 *"College Opportunity Fund Graduate" means an individual who received a scholarship through the*  
 1150 *Virginia College Opportunity Endowment Scholarship Program pursuant to § 23.1-716 and subsequently*  
 1151 *graduated from the institution subsidized by the scholarship.*

1152 *"College Opportunity Fund Scholar" means a student enrolled in an eligible institution who is a recipient*  
 1153 *of a scholarship through the Virginia College Opportunity Endowment Scholarship Program pursuant to*  
 1154 *§ 23.1-716.*

1155 *"DB529 Fund" means the subfund of the Fund established pursuant to subsection C of § 23.1-701 that*  
 1156 *holds the assets of the prepaid tuition contracts established pursuant to § 23.1-707 (the Defined Benefit 529*  
 1157 *Program) in trust to meet contractual obligations.*

1158 *"Distribution Amount" means the distribution policy developed by the governing board of the Virginia*  
 1159 *College Opportunity Endowment pursuant to subsection D of § 23.1-716 under which the amounts of*  
 1160 *distributions from the Opportunity Fund shall be calculated.*

1161 *"Eligible institution" means Christopher Newport University, George Mason University, James Madison*  
 1162 *University, Longwood University, Norfolk State University, Old Dominion University, Radford University,*  
 1163 *the University of Mary Washington, the University of Virginia's College at Wise as a division of the*  
 1164 *University of Virginia, Virginia Commonwealth University, Virginia Military Institute, and Virginia State*  
 1165 *University.*

1166 *"Endowment" means the Virginia College Opportunity Endowment.*

1167 *"Opportunity Fund" means the Virginia College Opportunity Fund created as a subfund of the Fund*  
 1168 *established pursuant to subsection C of § 23.1-701.*

1169 *"Plan" means the Commonwealth Savers Plan.*

1170 *"Program" means the Endowment Scholarship Program established by the Endowment under the*  
 1171 *provisions of this article.*

1172 **§ 23.1-715. Virginia College Opportunity Endowment established; governing board.**

1173 A. The Virginia College Opportunity Endowment is established as an agency of the Commonwealth.

1174        *B. The Endowment shall be administered by a 12-member board, and each eligible institution shall have*  
1175        *one representative on the board. Members shall be appointed by the Governor, subject to confirmation by the*  
1176        *General Assembly, for terms of four years. If a vacancy occurs other than by expiration of a term, the*  
1177        *Governor shall appoint a member who shall serve on a temporary basis until the next legislative session and*  
1178        *who shall then be subject to confirmation by the General Assembly.*

1179        *C. No member appointed to the board shall serve more than two consecutive four-year terms; however, a*  
1180        *member appointed to serve an unexpired term is eligible to serve two consecutive four-year terms*  
1181        *immediately succeeding such unexpired term.*

1182        *D. The board shall elect from its membership a chairman and a vice-chairman annually.*

1183        *E. A majority of the members of the board shall constitute a quorum.*

1184        *F. Members of the board shall receive no compensation but shall be reimbursed for actual expenses*  
1185        *incurred in the performance of their duties.*

1186        **§ 23.1-716. Powers and duties; Endowment Scholarship Program; report.**

1187        *A. The Endowment shall establish the Endowment Scholarship Program to provide scholarships to*  
1188        *students at eligible institutions. The Endowment shall, in consultation with the governing board of the Plan,*  
1189        *develop policies and guidelines necessary to implement and administer the Program, including policies and*  
1190        *guidelines regarding student eligibility, application procedures, criteria for selecting student applicants for*  
1191        *scholarships, scholarship amounts, requirements for College Opportunity Fund Scholars to maintain their*  
1192        *scholarships, the terms of income-based repayment plans for students required to reimburse the Endowment,*  
1193        *and any other requirements deemed necessary for the administration of the Program. Scholarships awarded*  
1194        *by the Endowment may be for full or partial tuition and may also cover, in whole or in part, the costs of fees*  
1195        *and room and board, on terms and conditions determined by the Endowment.*

1196        *B. The Program shall provide scholarships only to a student who:*

1197        *1. Enrolls, or plans to enroll, at an eligible institution. A College Opportunity Fund Scholar who receives*  
1198        *a scholarship pursuant to this section shall lose eligibility for such scholarship if he enrolls at an institution*  
1199        *of higher education that is not an eligible institution.*

1200        *2. Meets the eligibility requirements for a Federal Pell Grant, as determined by the U.S. Secretary of*  
1201        *Education pursuant to the provisions of 20 U.S.C. § 1070a and draws down such Federal Pell Grant prior to*  
1202        *applying for the scholarship.*

1203        *3. Commits, as a condition of receiving a scholarship, to remaining employed or enrolled in postgraduate*  
1204        *education in Virginia for at least eight years after graduating from the eligible institution at which he is*  
1205        *enrolled or plans to enroll. For purposes of this subdivision, a College Opportunity Fund Graduate shall be*  
1206        *considered employed in Virginia only if such person is employed in a full-time position and his compensation*  
1207        *from such position is subject to taxation pursuant to Chapter 3 (§ 58.1-300 et seq.) of Title 58.1. The*  
1208        *Endowment may, upon petition by the College Opportunity Fund Graduate, temporarily waive the*  
1209        *requirements of this subdivision if the College Opportunity Fund Graduate demonstrates that (i) he is seeking*  
1210        *employment in an industry or profession consistent with his field of study but has been unable to secure such*  
1211        *employment, (ii) he is seeking enrollment in graduate school but his application is pending or he has been*  
1212        *unable to gain admission to graduate school, (iii) he is not employed or not employed in a full-time position*  
1213        *because he is disabled and unable to work, or (iv) he is not employed or not employed in a full-time position*  
1214        *in order to care for his children or a disabled family member.*

1215        *4. Meets any other requirements established by the Endowment pursuant to subsection A.*

1216        *C. The Virginia Employment Commission and the Department of Taxation shall provide the College*  
1217        *Opportunity Fund access to the information of each College Opportunity Fund Graduate to verify that the*  
1218        *College Opportunity Fund Graduate is in compliance with the provisions of subdivision B 3, including*  
1219        *verification that such College Opportunity Fund Graduate pays Virginia income taxes. If a College*  
1220        *Opportunity Fund Graduate breaches his commitment made under subdivision B 3, the Endowment shall*  
1221        *require him to reimburse the Opportunity Fund for all scholarship funds received pursuant to this section.*  
1222        *Any such reimbursement shall be paid by the College Opportunity Fund Graduate in the form of an income-*  
1223        *based repayment plan over a maximum of eight years, on such terms as may be prescribed by the Endowment*  
1224        *pursuant to subsection A. If a College Opportunity Fund Graduate is found in noncompliance with this*  
1225        *income-based repayment plan, any outstanding balance shall be recorded as a tax lien and shall be referred*  
1226        *to the Attorney General for enforcement or collection. It shall not be incumbent upon any eligible institution*  
1227        *to identify students in breach of commitments made under subdivision B 3 or to administer income-based*  
1228        *repayment plans or any other form of debt collection on behalf of the Endowment.*

1229        *D. The Program shall be funded only by income from investments of deposits to the Opportunity Fund.*  
1230        *Any operating expenses of the Program shall only be paid out of the general operating expenses of the Plan*  
1231        *and shall not be paid out of any annual income of the Endowment. The Plan shall manage the assets of the*  
1232        *Opportunity Fund with the objective of maximizing investment return for the Program and in accordance*  
1233        *with the provisions of Article 1 (§ 23.1-700 et seq.), mutatis mutandis; however, the board shall have sole*  
1234        *authority over the administration of the Program and the disbursement of income in the form of scholarships.*  
1235        *The governing board of the Endowment shall develop the Distribution Amount of the Opportunity Fund,*

1236 which in no event shall be less than five percent annually from the rolling 36-month average Opportunity  
 1237 Fund principal market value. The Distribution Amount shall be allocated as follows:

1238 1. Eighty percent of the Distribution Amount shall be allocated to the award of College Opportunity Fund  
 1239 scholarships. Priority for the award of scholarships for full tuition and the whole costs of fees and room and  
 1240 board shall be given to College Opportunity Fund Scholars attending eligible institutions.

1241 2. Twenty percent of the Distribution Amount shall be allocated to the governing board of the Plan to  
 1242 support other programs established for the purpose of enhancing educational access and affordability for  
 1243 students with recognized financial need, including scholarship, grant, and other programs established  
 1244 pursuant to subdivision 8 of § 23.1-704 and to fund supplementary scholarships and grants awarded through  
 1245 the Two-Year College Transfer Grant Program established pursuant to Article 4 (§ 23.1-622 et seq.) of  
 1246 Chapter 6, the New Economy Workforce Credential Grant Program established pursuant to Article 4.1  
 1247 (§ 23.1-627.1 et seq.) of Chapter 6, the Tuition Assistance Grant Act established pursuant to Article 5  
 1248 (§ 23.1-628 et seq.) of Chapter 6, and the Virginia Guaranteed Assistance Program and Fund established  
 1249 pursuant to Article 6 (§ 23.1-636 et seq.) of Chapter 6.

1250 3. Any unspent portion of the Distribution Amount to the Endowment annually shall remain available for  
 1251 Program purposes. The Distribution Amount of the Opportunity Fund shall be paid out, not less than  
 1252 annually, but no amount of the principal corpus shall be spent. For the purposes of this subdivision,  
 1253 "principal corpus" of the Opportunity Fund means at the time of determination the sum of any allocations  
 1254 from the DB529 Fund pursuant to subdivision C 2 of § 23.1-701, any gifts, grants, contributions, and  
 1255 earnings that have been credited to the Opportunity Fund, and any income not appropriated and withdrawn  
 1256 from the Opportunity Fund prior to June 30 of each year, less withdrawals from the principal corpus.

1257 E. The Endowment shall consult with each eligible institution to determine such institution's needs arising  
 1258 from its smaller endowment compared with other institutions of higher education that are not eligible  
 1259 institutions. The Endowment shall coordinate the Program to meet such needs.

1260 F. The Plan shall provide staff support to the Endowment in its administration of this article.

1261 G. The Endowment shall report annually to the General Assembly on its administration of this article.

**§ 51.1-505.01. Additional accidental death and dismemberment benefits.**

1262 The group life, accidental death, and dismemberment insurance coverage purchased by the Board shall  
 1263 include, but not be limited to, the following benefits:

1264 A. If, as a result of an accident, an insured employee dies at least 75 miles from his principal residence, an  
 1265 additional accidental death benefit shall be paid for the preparation and transportation of the employee to a  
 1266 mortuary. The additional benefit shall be the lesser of the actual cost for such preparation and transportation  
 1267 or \$5,000;

1268 B. If an insured employee dies or suffers a dismemberment as a result of an accident that occurs while the  
 1269 employee is driving or riding in a private passenger vehicle, an additional accidental death or dismemberment  
 1270 benefit shall be paid, provided that (i) the private passenger vehicle is equipped with a safety restraint system;  
 1271 (ii) such safety restraint system was being used properly by the insured employee at the time of the accident,  
 1272 as certified in the official accident report or by the official investigating officer; and (iii) at the time of the  
 1273 accident, the driver of the private passenger vehicle held a current license to operate a private passenger  
 1274 vehicle and was not intoxicated, driving while impaired or under the influence of alcohol or drugs, as is  
 1275 defined or determined under applicable law.

1276 The additional benefit shall be the lesser of 10 percent of the amount otherwise payable due to such  
 1277 accidental death or dismemberment or \$50,000.

1278 C. Death or dismemberment from a felonious assault.

1279 1. If an insured employee dies or suffers a dismemberment as a result of an accident caused by a felonious  
 1280 assault committed by other than an immediate family member, there shall be paid an additional accidental  
 1281 death or dismemberment benefit equal to the lesser of 25 percent of the amount otherwise payable due to  
 1282 such accidental death or dismemberment or \$50,000.

1283 2. In addition, if (i) an insured employee dies as a result of an accident caused by a felonious assault  
 1284 committed by other than an immediate family member, and (ii) such insured employee has a qualifying child  
 1285 at the time of such accident, a college savings trust account under the Commonwealth Savers Plan, *pursuant*  
 1286 to Article 1 (§ 23.1-700 et seq.) of Chapter 7 of Title 23.1, shall be opened for each qualifying child. The  
 1287 Retirement System shall be the contributor of any such account and shall contribute into the account of each  
 1288 such qualifying child an amount approximately equal to the current average cost, as published by the State  
 1289 Council of Higher Education for Virginia, of four years of tuition and mandatory fees at baccalaureate public  
 1290 institutions of higher education in the Commonwealth. The qualified beneficiary, as defined in § 23.1-700,  
 1291 shall be the qualifying child on whose behalf such account was opened. Specific benefits of the college  
 1292 savings trust account shall be as defined by the Commonwealth Savers Plan.

1293 Disbursements from a college savings trust account opened under this section shall be governed by  
 1294 procedures adopted by the Board of Trustees of the Virginia Retirement System in accordance with § 529 of  
 1295 the Internal Revenue Code of 1986, as amended, or other applicable federal law, and any other additional  
 1296 procedures as determined by the Board of the Commonwealth Savers Plan. College savings trust account

1297

1298 funds shall be payable only for qualified higher education expenses to a post-secondary eligible educational  
1299 institution. Any funds in a college savings trust account that are not used by a qualifying child before the  
1300 expiration of the time period for the use of such funds, as determined by the Commonwealth Savers Plan,  
1301 shall be paid to the Retirement System promptly after the expiration of such period.

1302 **§ 58.1-3. Secrecy of information; penalties.**

1303 A. Except in accordance with a proper judicial order or as otherwise provided by law, the Tax  
1304 Commissioner or agent, clerk, commissioner of the revenue, treasurer, or any other state or local tax or  
1305 revenue officer or employee, or any person to whom tax information is divulged pursuant to this section or  
1306 § 58.1-512, 58.1-2712.2, or 58.1-3826, or any former officer or employee of any of the aforementioned  
1307 offices shall not divulge any information acquired by him in the performance of his duties with respect to the  
1308 transactions, property, including personal property, income or business of any person, firm or corporation.  
1309 Such prohibition specifically includes any copy of a federal return or federal return information required by  
1310 Virginia law to be attached to or included in the Virginia return. This prohibition shall apply to any reports,  
1311 returns, financial documents or other information filed with the Attorney General pursuant to the provisions  
1312 of Article 3 (§ 3.2-4204 et seq.) of Chapter 42 of Title 3.2. Any person violating the provisions of this section  
1313 is guilty of a Class 1 misdemeanor. The provisions of this subsection shall not be applicable, however, to:

1314 1. Matters required by law to be entered on any public assessment roll or book;

1315 2. Acts performed or words spoken, published, or shared with another agency or subdivision of the  
1316 Commonwealth in the line of duty under state law;

1317 3. Inquiries and investigations to obtain information as to the process of real estate assessments by a duly  
1318 constituted committee of the General Assembly, or when such inquiry or investigation is relevant to its study,  
1319 provided that any such information obtained shall be privileged;

1320 4. The sales price, date of construction, physical dimensions or characteristics of real property, or any  
1321 information required for building permits;

1322 5. Copies of or information contained in an estate's probate tax return, filed with the clerk of court  
1323 pursuant to § 58.1-1714, when requested by a beneficiary of the estate or an heir at law of the decedent or by  
1324 the commissioner of accounts making a settlement of accounts filed in such estate;

1325 6. Information regarding nonprofit entities exempt from sales and use tax under § 58.1-609.11, when  
1326 requested by the General Assembly or any duly constituted committee of the General Assembly;

1327 7. Reports or information filed with the Attorney General by a Stamping Agent pursuant to the provisions  
1328 of Article 3 (§ 3.2-4204 et seq.), when such reports or information are provided by the Attorney General to a  
1329 tobacco products manufacturer who is required to establish a qualified escrow fund pursuant to § 3.2-4201  
1330 and are limited to the brand families of that manufacturer as listed in the Tobacco Directory established  
1331 pursuant to § 3.2-4206 and are limited to the current or previous two calendar years or in any year in which  
1332 the Attorney General receives Stamping Agent information that potentially alters the required escrow deposit  
1333 of the manufacturer. The information shall only be provided in the following manner: the manufacturer may  
1334 make a written request, on a quarterly or yearly basis or when the manufacturer is notified by the Attorney  
1335 General of a potential change in the amount of a required escrow deposit, to the Attorney General for a list of  
1336 the Stamping Agents who reported stamping or selling its products and the amount reported. The Attorney  
1337 General shall provide the list within 15 days of receipt of the request. If the manufacturer wishes to obtain  
1338 actual copies of the reports the Stamping Agents filed with the Attorney General, it must first request them  
1339 from the Stamping Agents pursuant to subsection C of § 3.2-4209. If the manufacturer does not receive the  
1340 reports pursuant to subsection C of § 3.2-4209, the manufacturer may make a written request to the Attorney  
1341 General, including a copy of the prior written request to the Stamping Agent and any response received, for  
1342 copies of any reports not received. The Attorney General shall provide copies of the reports within 45 days of  
1343 receipt of the request.

1344 B. 1. Nothing contained in this section shall be construed to prohibit the publication of statistics so  
1345 classified as to prevent the identification of particular reports or returns and the items thereof or the  
1346 publication of delinquent lists showing the names of taxpayers who are currently delinquent, together with  
1347 any relevant information which in the opinion of the Department may assist in the collection of such  
1348 delinquent taxes. Notwithstanding any other provision of this section or other law, the Department, upon  
1349 request by the General Assembly or any duly constituted committee of the General Assembly, shall disclose  
1350 the total aggregate amount of an income tax deduction or credit taken by all taxpayers, regardless of (i) how  
1351 few taxpayers took the deduction or credit or (ii) any other circumstances. This section shall not be construed  
1352 to prohibit a local tax official from disclosing whether a person, firm or corporation is licensed to do business  
1353 in that locality and divulging, upon written request, the name and address of any person, firm or corporation  
1354 transacting business under a fictitious name. Additionally, notwithstanding any other provision of law, the  
1355 commissioner of revenue is authorized to provide, upon written request stating the reason for such request,  
1356 the Tax Commissioner with information obtained from local tax returns and other information pertaining to  
1357 the income, sales and property of any person, firm or corporation licensed to do business in that locality.

1358 2. This section shall not prohibit the Department from disclosing whether a person, firm, or corporation is  
1359 registered as a retail sales and use tax dealer pursuant to Chapter 6 (§ 58.1-600 et seq.) or whether a

1360 certificate of registration number relating to such tax is valid. Additionally, notwithstanding any other  
 1361 provision of law, the Department is hereby authorized to make available the names and certificate of  
 1362 registration numbers of dealers who are currently registered for retail sales and use tax.

1363 3. This section shall not prohibit the Department from disclosing information to nongovernmental entities  
 1364 with which the Department has entered into a contract to provide services that assist it in the administration  
 1365 of refund processing or other services related to its administration of taxes.

1366 4. This section shall not prohibit the Department from disclosing information to taxpayers regarding  
 1367 whether the taxpayer's employer or another person or entity required to withhold on behalf of such taxpayer  
 1368 submitted withholding records to the Department for a specific taxable year as required pursuant to  
 1369 subdivision C 1 of § 58.1-478.

1370 5. This section shall not prohibit the commissioner of the revenue, treasurer, director of finance, or other  
 1371 similar local official who collects or administers taxes for a county, city, or town from disclosing information  
 1372 to nongovernmental entities with which the locality has entered into a contract to provide services that assist  
 1373 it in the administration of refund processing or other non-audit services related to its administration of taxes.  
 1374 The commissioner of the revenue, treasurer, director of finance, or other similar local official who collects or  
 1375 administers taxes for a county, city, or town shall not disclose information to such entity unless he has  
 1376 obtained a written acknowledgement by such entity that the confidentiality and nondisclosure obligations of  
 1377 and penalties set forth in subsection A apply to such entity and that such entity agrees to abide by such  
 1378 obligations.

1379 C. Notwithstanding the provisions of subsection A or B or any other provision of this title, the Tax  
 1380 Commissioner is authorized to (i) divulge tax information to any commissioner of the revenue, director of  
 1381 finance, or other similar collector of county, city, or town taxes who, for the performance of his official  
 1382 duties, requests the same in writing setting forth the reasons for such request; (ii) provide to the  
 1383 Commissioner of the Department of Social Services, upon entering into a written agreement, the amount of  
 1384 income, filing status, number and type of dependents, whether a federal earned income tax credit as  
 1385 authorized in § 32 of the Internal Revenue Code and an income tax credit for low-income taxpayers as  
 1386 authorized in § 58.1-339.8 have been claimed, and Forms W-2 and 1099 to facilitate the administration of  
 1387 public assistance or social services benefits as defined in § 63.2-100 or child support services pursuant to  
 1388 Chapter 19 (§ 63.2-1900 et seq.) of Title 63.2, or as may be necessary to facilitate the administration of  
 1389 outreach and enrollment related to the federal earned income tax credit authorized in § 32 of the Internal  
 1390 Revenue Code and the income tax credit for low-income taxpayers authorized in § 58.1-339.8; (iii) provide to  
 1391 the chief executive officer of the designated student loan guarantor for the Commonwealth of Virginia, upon  
 1392 written request, the names and home addresses of those persons identified by the designated guarantor as  
 1393 having delinquent loans guaranteed by the designated guarantor; (iv) provide current address information  
 1394 upon request to state agencies and institutions for their confidential use in facilitating the collection of  
 1395 accounts receivable, and to the clerk of a circuit or district court for their confidential use in facilitating the  
 1396 collection of fines, penalties, and costs imposed in a proceeding in that court; (v) provide to the  
 1397 Commissioner of the Virginia Employment Commission, after entering into a written agreement, such tax  
 1398 information as may be necessary to facilitate the collection of unemployment taxes and overpaid benefits; (vi)  
 1399 provide to the Virginia Alcoholic Beverage Control Authority, upon entering into a written agreement, such  
 1400 tax information as may be necessary to facilitate the collection of state and local taxes and the administration  
 1401 of the alcoholic beverage control laws; (vii) provide to the Director of the Virginia Lottery such tax  
 1402 information as may be necessary to identify those lottery ticket retailers who owe delinquent taxes; (viii)  
 1403 provide to the Department of the Treasury for its confidential use such tax information as may be necessary  
 1404 to facilitate the location of owners and holders of unclaimed property, as defined in § 55.1-2500; (ix) provide  
 1405 to the State Corporation Commission, upon entering into a written agreement, such tax information as may be  
 1406 necessary to facilitate the collection of taxes and fees administered by the Commission; (x) provide to the  
 1407 Executive Director of the Potomac and Rappahannock Transportation Commission for his confidential use  
 1408 such tax information as may be necessary to facilitate the collection of the motor vehicle fuel sales tax; (xi)  
 1409 provide to the Commissioner of the Department of Agriculture and Consumer Services such tax information  
 1410 as may be necessary to identify those applicants for registration as a supplier of charitable gaming supplies  
 1411 who have not filed required returns or who owe delinquent taxes; (xii) provide to the Department of Housing  
 1412 and Community Development for its confidential use such tax information as may be necessary to facilitate  
 1413 the administration of the remaining effective provisions of the Enterprise Zone Act (§ 59.1-270 et seq.), and  
 1414 the Enterprise Zone Grant Program (§ 59.1-538 et seq.); (xiii) provide current name and address information  
 1415 to private collectors entering into a written agreement with the Tax Commissioner, for their confidential use  
 1416 when acting on behalf of the Commonwealth or any of its political subdivisions; however, the Tax  
 1417 Commissioner is not authorized to provide such information to a private collector who has used or  
 1418 disseminated in an unauthorized or prohibited manner any such information previously provided to such  
 1419 collector; (xiv) provide current name and address information as to the identity of the wholesale or retail  
 1420 dealer that affixed a tax stamp to a package of cigarettes to any person who manufactures or sells at retail or  
 1421 wholesale cigarettes and who may bring an action for injunction or other equitable relief for violation of

1422 Chapter 10.1, Enforcement of Illegal Sale or Distribution of Cigarettes Act; (xv) provide to the Commissioner  
1423 of Labor and Industry, upon entering into a written agreement, such tax information as may be necessary to  
1424 facilitate the collection of unpaid wages under § 40.1-29; (xvi) provide to the Director of the Department of  
1425 Human Resource Management, upon entering into a written agreement, such tax information as may be  
1426 necessary to identify persons receiving workers' compensation indemnity benefits who have failed to report  
1427 earnings as required by § 65.2-712; (xvii) provide to any commissioner of the revenue, director of finance, or  
1428 any other officer of any county, city, or town performing any or all of the duties of a commissioner of the  
1429 revenue and to any dealer registered for the collection of the Communications Sales and Use Tax, a list of the  
1430 names, business addresses, and dates of registration of all dealers registered for such tax; (xviii) provide to  
1431 the Executive Director of the Northern Virginia Transportation Commission for his confidential use such tax  
1432 information as may be necessary to facilitate the collection of the motor vehicle fuel sales tax; (xix) provide  
1433 to the Commissioner of Agriculture and Consumer Services the name and address of the taxpayer businesses  
1434 licensed by the Commonwealth that identify themselves as subject to regulation by the Board of Agriculture  
1435 and Consumer Services pursuant to § 3.2-5130; (xx) provide to the developer or the economic development  
1436 authority of a tourism project authorized by § 58.1-3851.1, upon entering into a written agreement, tax  
1437 information facilitating the repayment of gap financing; (xxi) provide to the Virginia Retirement System and  
1438 the Department of Human Resource Management, after entering into a written agreement, such tax  
1439 information as may be necessary to facilitate the enforcement of subdivision C 4 of § 9.1-401; (xxii) provide  
1440 to the Department of Medical Assistance Services and the Department of Social Services, upon entering into  
1441 a written agreement, the name, address, social security number, email address, dependent information  
1442 provided pursuant to subdivision B 2 of § 58.1-341.1, number and type of personal exemptions, tax-filing  
1443 status, adjusted gross income, and any additional information voluntarily provided by the taxpayer for  
1444 disclosure pursuant to subdivisions B 1 and 2 of § 58.1-341.1, of an individual, or spouse in the case of a  
1445 married taxpayer filing jointly, who has voluntarily consented to such disclosure for purposes of identifying  
1446 persons who would like to newly enroll in medical assistance; (xxiii) provide to the Commissioner of the  
1447 Department of Motor Vehicles information sufficient to verify that an applicant for a driver privilege card or  
1448 permit under § 46.2-328.3 or an applicant for an identification privilege card under § 46.2-345.3 reported  
1449 income and deductions from Virginia sources, as defined in § 58.1-302, or was claimed as a dependent, on an  
1450 individual income tax return filed with the Commonwealth within the preceding 12 months; *and* (xxiv)  
1451 provide to the Virginia Health Benefit Exchange, upon entering into a written agreement, for taxable years  
1452 starting on January 1, 2023, or as soon thereafter as practicable, as determined by the Department of Taxation  
1453 and the Virginia Health Benefit Exchange, the name, address, social security number, email address,  
1454 dependent information provided pursuant to subdivision B 2 of § 58.1-341.1, number and type of personal  
1455 exemptions, tax-filing status, adjusted gross income, and any additional information voluntarily provided by  
1456 the taxpayer for disclosure pursuant to subdivision B 3 of § 58.1-341.1, of an individual, or spouse in the case  
1457 of a married taxpayer filing jointly, who has voluntarily consented to such disclosure for purposes of  
1458 identifying persons who do not meet the income eligibility requirements for medical assistance and would  
1459 like to newly enroll in a qualified health plan; *and* (xxv) *provide to the College Opportunity Fund, pursuant to subsection C of § 23.1-716, the information of each College Opportunity Fund Graduate, as that term is defined in § 23.1-214, as may be necessary to verify that each such College Opportunity Fund is in compliance with the provisions of subdivision B 3 of § 23.1-716.* The Tax Commissioner is further authorized  
1460 to enter into written agreements with duly constituted tax officials of other states and of the United States for  
1461 the inspection of tax returns, the making of audits, and the exchange of information relating to any tax  
1462 administered by the Department of Taxation. Any person to whom tax information is divulged pursuant to  
1463 this section shall be subject to the prohibitions and penalties prescribed herein as though he were a tax  
1464 official.

1465 D. Notwithstanding the provisions of subsection A or B or any other provision of this title, the  
1466 commissioner of revenue or other assessing official is authorized to (i) provide, upon written request stating  
1467 the reason for such request, the chief executive officer of any county or city with information furnished to the  
1468 commissioner of revenue by the Tax Commissioner relating to the name and address of any dealer located  
1469 within the county or city who paid sales and use tax, for the purpose of verifying the local sales and use tax  
1470 revenues payable to the county or city; (ii) provide to the Department of Professional and Occupational  
1471 Regulation for its confidential use the name, address, and amount of gross receipts of any person, firm or  
1472 entity subject to a criminal investigation of an unlawful practice of a profession or occupation administered  
1473 by the Department of Professional and Occupational Regulation, only after the Department of Professional  
1474 and Occupational Regulation exhausts all other means of obtaining such information; and (iii) provide to any  
1475 representative of a condominium unit owners' association, property owners' association or real estate  
1476 cooperative association, or to the owner of property governed by any such association, the names and  
1477 addresses of parties having a security interest in real property governed by any such association; however,  
1478 such information shall be released only upon written request stating the reason for such request, which reason  
1479 shall be limited to proposing or opposing changes to the governing documents of the association, and any  
1480 information received by any person under this subsection shall be used only for the reason stated in the  
1481  
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1484 written request. The treasurer or other local assessing official may require any person requesting information  
 1485 pursuant to clause (iii) of this subsection to pay the reasonable cost of providing such information. Any  
 1486 person to whom tax information is divulged pursuant to this subsection shall be subject to the prohibitions  
 1487 and penalties prescribed herein as though he were a tax official.

1488 Notwithstanding the provisions of subsection A or B or any other provisions of this title, the treasurer or  
 1489 other collector of taxes for a county, city or town is authorized to provide information relating to any motor  
 1490 vehicle, trailer or semitrailer obtained by such treasurer or collector in the course of performing his duties to  
 1491 the commissioner of the revenue or other assessing official for such jurisdiction for use by such  
 1492 commissioner or other official in performing assessments.

1493 This section shall not be construed to prohibit a local tax official from imprinting or displaying on a motor  
 1494 vehicle local license decal the year, make, and model and any other legal identification information about the  
 1495 particular motor vehicle for which that local license decal is assigned.

1496 E. Notwithstanding any other provisions of law, state agencies and any other administrative or regulatory  
 1497 unit of state government shall divulge to the Tax Commissioner or his authorized agent, upon written request,  
 1498 the name, address, and social security number of a taxpayer, necessary for the performance of the  
 1499 Commissioner's official duties regarding the administration and enforcement of laws within the jurisdiction of  
 1500 the Department of Taxation. The receipt of information by the Tax Commissioner or his agent that may be  
 1501 deemed taxpayer information shall not relieve the Commissioner of the obligations under this section.

1502 F. Additionally, it is unlawful for any person to disseminate, publish, or cause to be published any  
 1503 confidential tax document that he knows or has reason to know is a confidential tax document. A confidential  
 1504 tax document is any correspondence, document, or tax return that is prohibited from being divulged by  
 1505 subsection A, B, C, or D and includes any document containing information on the transactions, property,  
 1506 income, or business of any person, firm, or corporation that is required to be filed with any state official by  
 1507 § 58.1-512. This prohibition shall not apply if such confidential tax document has been divulged or  
 1508 disseminated pursuant to a provision of law authorizing disclosure. Any person violating the provisions of  
 1509 this subsection is guilty of a Class 1 misdemeanor.

1510 G. Information provided by an accommodations intermediary pursuant to subsection F of § 58.1-3826 to  
 1511 the commissioner of the revenue, treasurer, or any other local tax or revenue officer or employee of a county,  
 1512 city, or town, or any other person to whom such tax information is divulged, shall be confidential pursuant to  
 1513 subsection A and shall not be divulged to any other department or official of the locality or any other political  
 1514 subdivision of the Commonwealth. Such information shall be used by such officials only for the purpose of  
 1515 levying and collecting retail sales and use tax, transient occupancy tax, and any other taxes imposed on the  
 1516 sale of accommodations.

**§ 58.1-322.02. Virginia taxable income; subtractions.**

1517 In computing Virginia taxable income pursuant to § 58.1-322, to the extent included in federal adjusted  
 1518 gross income, there shall be subtracted:

1519 1. Income derived from obligations, or on the sale or exchange of obligations, of the United States and on  
 1520 obligations or securities of any authority, commission, or instrumentality of the United States to the extent  
 1521 exempt from state income taxes under the laws of the United States, including, but not limited to, stocks,  
 1522 bonds, treasury bills, and treasury notes but not including interest on refunds of federal taxes, interest on  
 1523 equipment purchase contracts, or interest on other normal business transactions.

1524 2. Income derived from obligations, or on the sale or exchange of obligations, of the Commonwealth or of  
 1525 any political subdivision or instrumentality of the Commonwealth.

1526 3. Benefits received under Title II of the Social Security Act and other benefits subject to federal income  
 1527 taxation solely pursuant to § 86 of the Internal Revenue Code.

1528 4. Up to \$20,000 of disability income, as defined in § 22(c)(2)(B)(iii) of the Internal Revenue Code;  
 1529 however, any person who claims a deduction under subdivision 5 of § 58.1-322.03 may not also claim a  
 1530 subtraction under this subdivision.

1531 5. The amount of any refund or credit for overpayment of income taxes imposed by the Commonwealth or  
 1532 any other taxing jurisdiction.

1533 6. The amount of wages or salaries eligible for the federal Work Opportunity Credit which was not  
 1534 deducted for federal purposes on account of the provisions of § 280C(a) of the Internal Revenue Code.

1535 7. Any amount included therein less than \$600 from a prize awarded by the Virginia Lottery.

1536 8. The wages or salaries received by any person for active and inactive service in the National Guard of  
 1537 the Commonwealth of Virginia, (i) for taxable years beginning before January 1, 2023, not to exceed the  
 1538 amount of income derived from 39 calendar days of such service or \$3,000, whichever amount is less;  
 1539 however, only those persons in the ranks of O3 and below shall be entitled to the subtractions specified in this  
 1540 clause, and (ii) for taxable years beginning on or after January 1, 2023, not to exceed the amount of income  
 1541 derived from 39 calendar days of such service or \$5,500, whichever amount is less; however, only those  
 1542 persons in the ranks of O6 and below shall be entitled to the subtractions specified in this clause.

1543 9. Amounts received by an individual, not to exceed \$1,000 for taxable years beginning on or before  
 1544 December 31, 2019, and \$5,000 for taxable years beginning on or after January 1, 2020, as a reward for

1546 information provided to a law-enforcement official or agency, or to a nonprofit corporation created  
1547 exclusively to assist such law-enforcement official or agency, in the apprehension and conviction of  
1548 perpetrators of crimes. This subdivision shall not apply to the following: an individual who is an employee of,  
1549 or under contract with, a law-enforcement agency, a victim or the perpetrator of the crime for which the  
1550 reward was paid, or any person who is compensated for the investigation of crimes or accidents.

1551 10. The amount of "qualified research expenses" or "basic research expenses" eligible for deduction for  
1552 federal purposes, but which were not deducted, on account of the provisions of § 280C(c) of the Internal  
1553 Revenue Code and which shall be available to partners, shareholders of S corporations, and members of  
1554 limited liability companies to the extent and in the same manner as other deductions may pass through to  
1555 such partners, shareholders, and members.

1556 11. Any income received during the taxable year derived from a qualified pension, profit-sharing, or stock  
1557 bonus plan as described by § 401 of the Internal Revenue Code, an individual retirement account or annuity  
1558 established under § 408 of the Internal Revenue Code, a deferred compensation plan as defined by § 457 of  
1559 the Internal Revenue Code, or any federal government retirement program, the contributions to which were  
1560 deductible from the taxpayer's federal adjusted gross income, but only to the extent the contributions to such  
1561 plan or program were subject to taxation under the income tax in another state.

1562 12. Any income attributable to a distribution of benefits or a refund from a prepaid tuition contract or  
1563 savings trust account with the Commonwealth Savers Plan, created pursuant to *Chapter 7 Article 1*  
1564 (§ 23.1-700 et seq.) of *Chapter 7* of Title 23.1. The subtraction for any income attributable to a refund shall  
1565 be limited to income attributable to a refund in the event of a beneficiary's death, disability, or receipt of a  
1566 scholarship.

1567 13. All military pay and allowances, to the extent included in federal adjusted gross income and not  
1568 otherwise subtracted, deducted, or exempted under this section, earned by military personnel while serving by  
1569 order of the President of the United States with the consent of Congress in a combat zone or qualified  
1570 hazardous duty area that is treated as a combat zone for federal tax purposes pursuant to § 112 of the Internal  
1571 Revenue Code.

1572 14. For taxable years beginning before January 1, 2015, the gain derived from the sale or exchange of real  
1573 property or the sale or exchange of an easement to real property which results in the real property or the  
1574 easement thereto being devoted to open-space use, as that term is defined in § 58.1-3230, for a period of time  
1575 not less than 30 years. To the extent that a subtraction is taken in accordance with this subdivision, no tax  
1576 credit under this chapter for donating land for its preservation shall be allowed for three years following the  
1577 year in which the subtraction is taken.

1578 15. Fifteen thousand dollars of military basic pay for military service personnel on extended active duty  
1579 for periods in excess of 90 days; however, the subtraction amount shall be reduced dollar-for-dollar by the  
1580 amount by which the taxpayer's military basic pay exceeds \$15,000 and shall be reduced to zero if such  
1581 military basic pay amount is equal to or exceeds \$30,000.

1582 16. The first \$15,000 of salary for each federal and state employee whose total annual salary from all  
1583 employment for the taxable year is \$15,000 or less.

1584 17. Unemployment benefits taxable pursuant to § 85 of the Internal Revenue Code.

1585 18. a. Any amount received as military retirement income by an individual awarded the Congressional  
1586 Medal of Honor.

1587 b. For taxable years beginning on and after January 1, 2022, but before January 1, 2023, up to \$10,000 of  
1588 military benefits; and for taxable years beginning on and after January 1, 2023, but before January 1, 2024,  
1589 up to \$20,000 of military benefits.

1590 c. For taxable years beginning on and after January 1, 2024, but before January 1, 2025, up to \$30,000 of  
1591 military benefits; and for taxable years beginning on and after January 1, 2025, up to \$40,000 of military  
1592 benefits.

1593 d. For purposes of subdivisions b and c, "military benefits" means any (i) military retirement income  
1594 received for service in the Armed Forces of the United States, (ii) qualified military benefits received  
1595 pursuant to § 134 of the Internal Revenue Code, (iii) benefits paid to the surviving spouse of a veteran of the  
1596 Armed Forces of the United States under the Survivor Benefit Plan program established by the U.S.  
1597 Department of Defense, and (iv) military benefits paid to the surviving spouse of a veteran of the Armed  
1598 Forces of the United States. The subtraction allowed by subdivision b shall be allowed only for military  
1599 benefits received by an individual age 55 or older. The subtraction allowed by subdivision c shall be allowed  
1600 for military benefits received by an individual of any age. No subtraction shall be allowed pursuant to  
1601 subdivisions b and c if a credit, exemption, subtraction, or deduction is claimed for the same income pursuant  
1602 to subdivision a or any other provision of Virginia or federal law.

1603 19. Items of income attributable to, derived from, or in any way related to (i) assets stolen from, hidden  
1604 from, or otherwise lost by an individual who was a victim or target of Nazi persecution or (ii) damages,  
1605 reparations, or other consideration received by a victim or target of Nazi persecution to compensate such  
1606 individual for performing labor against his will under the threat of death, during World War II and its prelude  
1607 and direct aftermath. This subtraction shall not apply to assets acquired with such items of income or with the

**1608** proceeds from the sale of assets stolen from, hidden from, or otherwise lost to, during World War II and its  
**1609** prelude and direct aftermath, a victim or target of Nazi persecution. The provisions of this subdivision shall  
**1610** only apply to an individual who was the first recipient of such items of income and who was a victim or  
**1611** target of Nazi persecution, or a spouse, surviving spouse, or child or stepchild of such victim.

**1612** As used in this subdivision:

**1613** "Nazi regime" means the country of Nazi Germany, areas occupied by Nazi Germany, those European  
**1614** countries allied with Nazi Germany, or any other neutral European country or area in Europe under the  
**1615** influence or threat of Nazi invasion.

**1616** "Victim or target of Nazi persecution" means any individual persecuted or targeted for persecution by the  
**1617** Nazi regime who had assets stolen from, hidden from, or otherwise lost as a result of any act or omission in  
**1618** any way relating to (i) the Holocaust, (ii) World War II and its prelude and direct aftermath, (iii) transactions  
**1619** with or actions of the Nazi regime, (iv) treatment of refugees fleeing Nazi persecution, or (v) the holding of  
**1620** such assets by entities or persons in the Swiss Confederation during World War II and its prelude and  
**1621** aftermath. A "victim or target of Nazi persecution" also includes any individual forced into labor against his  
**1622** will, under the threat of death, during World War II and its prelude and direct aftermath.

**1623** 20. The military death gratuity payment made after September 11, 2001, to the survivor of deceased  
**1624** military personnel killed in the line of duty, pursuant to 10 U.S.C. Chapter 75; however, the subtraction  
**1625** amount shall be reduced dollar-for-dollar by the amount that the survivor may exclude from his federal gross  
**1626** income in accordance with § 134 of the Internal Revenue Code.

**1627** 21. The death benefit payments from an annuity contract that are received by a beneficiary of such  
**1628** contract, provided that (i) the death benefit payment is made pursuant to an annuity contract with an  
**1629** insurance company and (ii) the death benefit payment is paid solely by lump sum. The subtraction under this  
**1630** subdivision shall be allowed only for that portion of the death benefit payment that is included in federal  
**1631** adjusted gross income.

**1632** 22. Any gain recognized from the sale of launch services to space flight participants, as defined in 49  
**1633** U.S.C. § 70102, or launch services intended to provide individuals with the training or experience of a  
**1634** launch, without performing an actual launch. To qualify for a deduction under this subdivision, launch  
**1635** services must be performed in Virginia or originate from an airport or spaceport in Virginia.

**1636** 23. Any gain recognized as a result of resupply services contracts for delivering payload, as defined in 49  
**1637** U.S.C. § 70102, entered into with the Commercial Orbital Transportation Services division of the National  
**1638** Aeronautics and Space Administration or other space flight entity, as defined in § 8.01-227.8, and launched  
**1639** from an airport or spaceport in Virginia.

**1640** 24. Any income taxed as a long-term capital gain for federal income tax purposes, or any income taxed as  
**1641** investment services partnership interest income (otherwise known as investment partnership carried interest  
**1642** income) for federal income tax purposes. To qualify for a subtraction under this subdivision, such income  
**1643** shall be attributable to an investment in a "qualified business," as defined in § 58.1-339.4, or in any other  
**1644** technology business approved by the Secretary of Administration, provided that the business has its principal  
**1645** office or facility in the Commonwealth and less than \$3 million in annual revenues in the fiscal year prior to  
**1646** the investment. To qualify for a subtraction under this subdivision, the investment shall be made between the  
**1647** dates of April 1, 2010, and June 30, 2020. No taxpayer who has claimed a tax credit for an investment in a  
**1648** "qualified business" under § 58.1-339.4 shall be eligible for the subtraction under this subdivision for an  
**1649** investment in the same business.

**1650** 25. For taxable years beginning on and after January 1, 2014, any income of an account holder for the  
**1651** taxable year taxed as (i) a capital gain for federal income tax purposes attributable to such person's first-time  
**1652** home buyer savings account established pursuant to Chapter 12 (§ 36-171 et seq.) of Title 36 and (ii) interest  
**1653** income or other income for federal income tax purposes attributable to such person's first-time home buyer  
**1654** savings account.

**1655** Notwithstanding the statute of limitations on assessments contained in § 58.1-312, any subtraction taken  
**1656** under this subdivision shall be subject to recapture in the taxable year or years in which moneys or funds  
**1657** withdrawn from the first-time home buyer savings account were used for any purpose other than the payment  
**1658** of eligible costs by or on behalf of a qualified beneficiary, as provided under § 36-174. The amount subject to  
**1659** recapture shall be a portion of the amount withdrawn in the taxable year that was used for other than the  
**1660** payment of eligible costs, computed by multiplying the amount withdrawn and used for other than the  
**1661** payment of eligible costs by the ratio of the aggregate earnings in the account at the time of the withdrawal to  
**1662** the total balance in the account at such time.

**1663** However, recapture shall not apply to the extent of moneys or funds withdrawn that were (i) withdrawn by  
**1664** reason of the qualified beneficiary's death or disability; (ii) a disbursement of assets of the account pursuant  
**1665** to a filing for protection under the United States Bankruptcy Code, 11 U.S.C. §§ 101 through 1330; or (iii)  
**1666** transferred from an account established pursuant to Chapter 12 (§ 36-171 et seq.) of Title 36 into another  
**1667** account established pursuant to such chapter for the benefit of another qualified beneficiary.

**1668** For purposes of this subdivision, "account holder," "eligible costs," "first-time home buyer savings  
**1669** account," and "qualified beneficiary" mean the same as those terms are defined in § 36-171.

1670 26. For taxable years beginning on and after January 1, 2015, any income for the taxable year attributable  
1671 to the discharge of a student loan solely by reason of the student's death. For purposes of this subdivision,  
1672 "student loan" means the same as that term is defined under § 108(f) of the Internal Revenue Code.

1673 27. a. Income, including investment services partnership interest income (otherwise known as investment  
1674 partnership carried interest income), attributable to an investment in a Virginia venture capital account. To  
1675 qualify for a subtraction under this subdivision, the investment shall be made on or after January 1, 2018, but  
1676 before December 31, 2023. No subtraction shall be allowed under this subdivision for an investment in a  
1677 company that is owned or operated by a family member or an affiliate of the taxpayer. No subtraction shall be  
1678 allowed under this subdivision for a taxpayer who has claimed a subtraction under subdivision 24 or a tax  
1679 credit under § 58.1-339.4 for the same investment.

1680 b. As used in this subdivision 27:

1681 "Qualified portfolio company" means a company that (i) has its principal place of business in the  
1682 Commonwealth; (ii) has a primary purpose of production, sale, research, or development of a product or  
1683 service other than the management or investment of capital; and (iii) provides equity in the company to the  
1684 Virginia venture capital account in exchange for a capital investment. "Qualified portfolio company" does not  
1685 include a company that is an individual or sole proprietorship.

1686 "Virginia venture capital account" means an investment fund that has been certified by the Department as  
1687 a Virginia venture capital account. In order to be certified as a Virginia venture capital account, the operator  
1688 of the investment fund shall register the investment fund with the Department prior to December 31, 2023, (i)  
1689 indicating that it intends to invest at least 50 percent of the capital committed to its fund in qualified portfolio  
1690 companies and (ii) providing documentation that it employs at least one investor who has at least four years  
1691 of professional experience in venture capital investment or substantially equivalent experience. "Substantially  
1692 equivalent experience" includes, but is not limited to, an undergraduate degree from an accredited college or  
1693 university in economics, finance, or a similar field of study. The Department may require an investment fund  
1694 to provide documentation of the investor's training, education, or experience as deemed necessary by the  
1695 Department to determine substantial equivalency. If the Department determines that the investment fund  
1696 employs at least one investor with the experience set forth herein, the Department shall certify the investment  
1697 fund as a Virginia venture capital account at such time as the investment fund actually invests at least 50  
1698 percent of the capital committed to its fund in qualified portfolio companies.

1699 28. a. Income attributable to an investment in a Virginia real estate investment trust. To qualify for a  
1700 subtraction under this subdivision, the investment shall be made on or after January 1, 2019, but before  
1701 December 31, 2024. No subtraction shall be allowed for an investment in a trust that is managed by a family  
1702 member or an affiliate of the taxpayer. No subtraction shall be allowed under this subdivision for a taxpayer  
1703 who has claimed a subtraction under subdivision 24 or 27 or a tax credit under § 58.1-339.4 for the same  
1704 investment.

1705 b. As used in this subdivision 28:

1706 "Distressed" means satisfying the criteria applicable to a locality described in subdivision E 2 of  
1707 § 2.2-115.

1708 "Double distressed" means satisfying the criteria applicable to a locality described in subdivision E 3 of  
1709 § 2.2-115.

1710 "Virginia real estate investment trust" means a real estate investment trust, as defined in 26 U.S.C. § 856,  
1711 that has been certified by the Department as a Virginia real estate investment trust. In order to be certified as  
1712 a Virginia real estate investment trust, the trustee shall register the trust with the Department prior to  
1713 December 31, 2024, indicating that it intends to invest at least 90 percent of trust funds in Virginia and at  
1714 least 40 percent of trust funds in real estate in localities that are distressed or double distressed. If the  
1715 Department determines that the trust satisfies the preceding criteria, the Department shall certify the trust as a  
1716 Virginia real estate investment trust at such time as the trust actually invests at least 90 percent of trust funds  
1717 in Virginia and at least 40 percent of trust funds in real estate in localities that are distressed or double  
1718 distressed.

1719 29. For taxable years beginning on and after January 1, 2019, any gain recognized from the taking of real  
1720 property by condemnation proceedings.

1721 30. For taxable years beginning before January 1, 2021, up to \$100,000 of all grant funds received by the  
1722 taxpayer under the Rebuild Virginia program established by the Governor and administered by the  
1723 Department of Small Business and Supplier Diversity.

1724 31. For taxable years beginning on and after January 1, 2022, any compensation for wrongful  
1725 incarceration awarded pursuant to the procedures established under Article 18.2 (§ 8.01-195.10 et seq.) of  
1726 Chapter 3 of Title 8.01.

1727 **§ 58.1-322.03. Virginia taxable income; deductions.**

1728 In computing Virginia taxable income pursuant to § 58.1-322, there shall be deducted from Virginia  
1729 adjusted gross income as defined in § 58.1-321:

1730 1. a. The amount allowable for itemized deductions for federal income tax purposes where the taxpayer  
1731 has elected for the taxable year to itemize deductions on his federal return, but reduced by the amount of

1732 income taxes imposed by the Commonwealth or any other taxing jurisdiction and deducted on such federal  
 1733 return and increased by an amount that, when added to the amount deducted under § 170 of the Internal  
 1734 Revenue Code for mileage, results in a mileage deduction at the state level for such purposes at a rate of 18  
 1735 cents per mile; or

1736 b. Provided that the taxpayer has not itemized deductions for the taxable year on his federal income tax  
 1737 return: (i) for taxable years beginning before January 1, 2019, and on and after January 1, 2027, \$3,000 for  
 1738 single individuals and \$6,000 for married persons (one-half of such amounts in the case of a married  
 1739 individual filing a separate return); (ii) for taxable years beginning on and after January 1, 2019, but before  
 1740 January 1, 2022, \$4,500 for single individuals and \$9,000 for married persons (one-half of such amounts in  
 1741 the case of a married individual filing a separate return); (iii) for taxable years beginning on and after January  
 1742 1, 2022, but before January 1, 2024, \$8,000 for single individuals and \$16,000 for married persons (one-half  
 1743 of such amounts in the case of a married individual filing a separate return); (iv) for taxable years beginning  
 1744 on and after January 1, 2024, but before January 1, 2025, \$8,500 for single individuals and \$17,000 for  
 1745 married persons (one-half of such amounts in the case of a married individual filing a separate return); and (v)  
 1746 for taxable years beginning on and after January 1, 2025, but before January 1, 2027, \$8,750 for single  
 1747 individuals and \$17,500 for married persons (one-half of such amounts in the case of a married individual  
 1748 filing a separate return). For purposes of this section, any person who may be claimed as a dependent on  
 1749 another taxpayer's return for the taxable year may compute the deduction only with respect to earned income.

1750 2. a. A deduction in the amount of \$930 for each personal exemption allowable to the taxpayer for federal  
 1751 income tax purposes.

1752 b. Each blind or aged taxpayer as defined under § 63(f) of the Internal Revenue Code shall be entitled to  
 1753 an additional personal exemption in the amount of \$800.

1754 The additional deduction for blind or aged taxpayers allowed under this subdivision shall be allowable  
 1755 regardless of whether the taxpayer itemizes deductions for the taxable year for federal income tax purposes.

1756 3. A deduction equal to the amount of employment-related expenses upon which the federal credit is  
 1757 based under § 21 of the Internal Revenue Code for expenses for household and dependent care services  
 1758 necessary for gainful employment.

1759 4. An additional \$1,000 deduction for each child residing for the entire taxable year in a home under  
 1760 permanent foster care placement as defined in § 63.2-908, provided that the taxpayer can also claim the child  
 1761 as a personal exemption under § 151 of the Internal Revenue Code.

1762 5. a. A deduction in the amount of \$12,000 for individuals born on or before January 1, 1939.

1763 b. A deduction in the amount of \$12,000 for individuals born after January 1, 1939, who have attained the  
 1764 age of 65. This deduction shall be reduced by \$1 for every \$1 that the taxpayer's adjusted federal adjusted  
 1765 gross income exceeds \$50,000 for single taxpayers or \$75,000 for married taxpayers. For married taxpayers  
 1766 filing separately, the deduction shall be reduced by \$1 for every \$1 that the total combined adjusted federal  
 1767 adjusted gross income of both spouses exceeds \$75,000.

1768 For the purposes of this subdivision, "adjusted federal adjusted gross income" means federal adjusted  
 1769 gross income minus any benefits received under Title II of the Social Security Act and other benefits subject  
 1770 to federal income taxation solely pursuant to § 86 of the Internal Revenue Code, as amended.

1771 6. The amount an individual pays as a fee for an initial screening to become a possible bone marrow  
 1772 donor, if (i) the individual is not reimbursed for such fee or (ii) the individual has not claimed a deduction for  
 1773 the payment of such fee on his federal income tax return.

1774 7. a. A deduction shall be allowed to the purchaser or contributor for the amount paid or contributed  
 1775 during the taxable year for a prepaid tuition contract or college savings trust account entered into with the  
 1776 Commonwealth Savers Plan, pursuant to *Chapter 7 Article 1* (§ 23.1-700 et seq.) of *Chapter 7* of Title 23.1.  
 1777 Except as provided in subdivision b, the amount deducted on any individual income tax return in any taxable  
 1778 year shall be limited to \$4,000 per prepaid tuition contract or college savings trust account. No deduction  
 1779 shall be allowed pursuant to this subdivision 7 if such payments or contributions are deducted on the  
 1780 purchaser's or contributor's federal income tax return. If the purchase price or annual contribution to a college  
 1781 savings trust account exceeds \$4,000, the remainder may be carried forward and subtracted in future taxable  
 1782 years until the purchase price or college savings trust contribution has been fully deducted; however, except  
 1783 as provided in subdivision b, in no event shall the amount deducted in any taxable year exceed \$4,000 per  
 1784 contract or college savings trust account. Notwithstanding the statute of limitations on assessments contained  
 1785 in § 58.1-312, any deduction taken hereunder shall be subject to recapture in the taxable year or years in  
 1786 which distributions or refunds are made for any reason other than (i) to pay qualified higher education  
 1787 expenses, as defined in § 529 of the Internal Revenue Code or (ii) the beneficiary's death, disability, or receipt  
 1788 of a scholarship. For the purposes of this subdivision, "purchaser" or "contributor" means the person shown  
 1789 as such on the records of the Commonwealth Savers Plan as of December 31 of the taxable year. In the case  
 1790 of a transfer of ownership of a prepaid tuition contract or college savings trust account, the transferee shall  
 1791 succeed to the transferor's tax attributes associated with a prepaid tuition contract or college savings trust  
 1792 account, including, but not limited to, carryover and recapture of deductions.

1793 b. A purchaser of a prepaid tuition contract or contributor to a college savings trust account who has

1794 attained age 70 shall not be subject to the limitation that the amount of the deduction not exceed \$4,000 per  
1795 prepaid tuition contract or college savings trust account in any taxable year. Such taxpayer shall be allowed a  
1796 deduction for the full amount paid for the contract or contributed to a college savings trust account, less any  
1797 amounts previously deducted.

1798 8. The total amount an individual actually contributed in funds to the Virginia Public School Construction  
1799 Grants Program and Fund, established in Chapter 11.1 (§ 22.1-175.1 et seq.) of Title 22.1, provided that the  
1800 individual has not claimed a deduction for such amount on his federal income tax return.

1801 9. An amount equal to 20 percent of the tuition costs incurred by an individual employed as a primary or  
1802 secondary school teacher licensed pursuant to Chapter 15 (§ 22.1-289.1 et seq.) of Title 22.1 to attend  
1803 continuing teacher education courses that are required as a condition of employment; however, the deduction  
1804 provided by this subdivision shall be available only if (i) the individual is not reimbursed for such tuition  
1805 costs and (ii) the individual has not claimed a deduction for the payment of such tuition costs on his federal  
1806 income tax return.

1807 10. The amount an individual pays annually in premiums for long-term health care insurance, provided  
1808 that the individual has not claimed a deduction for federal income tax purposes, or, for taxable years  
1809 beginning before January 1, 2014, a credit under § 58.1-339.11. For taxable years beginning on and after  
1810 January 1, 2014, no such deduction for long-term health care insurance premiums paid by the individual  
1811 during the taxable year shall be allowed if the individual has claimed a federal income tax deduction for such  
1812 taxable year for long-term health care insurance premiums paid by him.

1813 11. Contract payments to a producer of quota tobacco or a tobacco quota holder, or their spouses, as  
1814 provided under the American Jobs Creation Act of 2004 (P.L. 108-357), but only to the extent that such  
1815 payments have not been subtracted pursuant to subsection D of § 58.1-402, as follows:

1816 a. If the payment is received in installment payments, then the recognized gain may be subtracted in the  
1817 taxable year immediately following the year in which the installment payment is received.

1818 b. If the payment is received in a single payment, then 10 percent of the recognized gain may be  
1819 subtracted in the taxable year immediately following the year in which the single payment is received. The  
1820 taxpayer may then deduct an equal amount in each of the nine succeeding taxable years.

1821 12. An amount equal to 20 percent of the sum paid by an individual pursuant to Chapter 6 (§ 58.1-600 et  
1822 seq.), not to exceed \$500 in each taxable year, in purchasing for his own use the following items of tangible  
1823 personal property: (i) any clothes washers, room air conditioners, dishwashers, and standard size refrigerators  
1824 that meet or exceed the applicable energy star efficiency requirements developed by the U.S. Environmental  
1825 Protection Agency and the U.S. Department of Energy; (ii) any fuel cell that (a) generates electricity using an  
1826 electrochemical process, (b) has an electricity-only generation efficiency greater than 35 percent, and (c) has  
1827 a generating capacity of at least two kilowatts; (iii) any gas heat pump that has a coefficient of performance  
1828 of at least 1.25 for heating and at least 0.70 for cooling; (iv) any electric heat pump hot water heater that  
1829 yields an energy factor of at least 1.7; (v) any electric heat pump that has a heating system performance factor  
1830 of at least 8.0 and a cooling seasonal energy efficiency ratio of at least 13.0; (vi) any central air conditioner  
1831 that has a cooling seasonal energy efficiency ratio of at least 13.5; (vii) any advanced gas or oil water heater  
1832 that has an energy factor of at least 0.65; (viii) any advanced oil-fired boiler with a minimum annual  
1833 fuel-utilization rating of 85; (ix) any advanced oil-fired furnace with a minimum annual fuel-utilization rating  
1834 of 85; and (x) programmable thermostats.

1835 13. The lesser of \$5,000 or the amount actually paid by a living donor of an organ or other living tissue  
1836 for unreimbursed out-of-pocket expenses directly related to the donation that arose within 12 months of such  
1837 donation, provided that the donor has not taken a medical deduction in accordance with the provisions of §  
1838 213 of the Internal Revenue Code for such expenses. The deduction may be taken in the taxable year in  
1839 which the donation is made or the taxable year in which the 12-month period expires.

1840 14. For taxable years beginning on and after January 1, 2013, the amount an individual age 66 or older  
1841 with earned income of at least \$20,000 for the year and federal adjusted gross income not in excess of  
1842 \$30,000 for the year pays annually in premiums for (i) a prepaid funeral insurance policy covering the  
1843 individual or (ii) medical or dental insurance for any person for whom individual tax filers may claim a  
1844 deduction for such premiums under federal income tax laws. As used in this subdivision, "earned income"  
1845 means the same as that term is defined in § 32(c) of the Internal Revenue Code. The deduction shall not be  
1846 allowed for any portion of such premiums paid for which the individual has (a) been reimbursed, (b) claimed  
1847 a deduction for federal income tax purposes, (c) claimed a deduction or subtraction under another provision  
1848 of this section, or (d) claimed a federal income tax credit or any income tax credit pursuant to this chapter.

1849 15. Business interest disallowed as a deduction pursuant to § 163(j) of the Internal Revenue Code:

1850 a. For taxable years beginning on and after January 1, 2018, but before January 1, 2022, 20 percent of  
1851 such disallowed business interest;

1852 b. For taxable years beginning on and after January 1, 2022, but before January 1, 2024, 30 percent of  
1853 such disallowed business interest;

1854 c. For taxable years beginning on and after January 2, 2024, 50 percent of such disallowed business  
1855 interest.

1856 For purposes of subdivision 15, "business interest" means the same as that term is defined under § 163(j)  
 1857 of the Internal Revenue Code.

1858 16. For taxable years beginning on and after January 1, 2019, the actual amount of real and personal  
 1859 property taxes imposed by the Commonwealth or any other taxing jurisdiction not otherwise deducted solely  
 1860 on account of the dollar limitation imposed on individual deductions by § 164(b)(6)(B) of the Internal  
 1861 Revenue Code.

1862 17. For taxable years beginning before January 1, 2021, up to \$100,000 of the amount that is not  
 1863 deductible when computing federal adjusted gross income solely on account of the portion of subdivision B  
 1864 10 of § 58.1-301 related to Paycheck Protection Program loans.

1865 18. For taxable years beginning on and after January 1, 2022, but before January 1, 2025, the lesser of  
 1866 \$500 or the actual amount paid or incurred for eligible educator qualifying expenses. For purposes of this  
 1867 subdivision, "eligible educator" means an individual who for at least 900 hours during the taxable year in  
 1868 which the credit under this section is claimed served as a teacher licensed pursuant to Chapter 15  
 1869 (§ 22.1-289.1 et seq.) of Title 22.1, instructor, student counselor, principal, special needs personnel, or  
 1870 student aide serving accredited public or private primary and secondary school students in Virginia, and  
 1871 "qualifying expenses" means 100 percent of the amount paid or incurred by an eligible educator during the  
 1872 taxable year for participation in professional development courses and the purchase of books, supplies,  
 1873 computer equipment (including related software and services), other educational and teaching equipment, and  
 1874 supplementary materials used directly in that individual's service to students as an eligible educator, provided  
 1875 that such purchases were neither reimbursed nor claimed as a deduction on the eligible educator's federal  
 1876 income tax return for such taxable year.

1877 19. For taxable years beginning on and after January 1, 2026, the amount paid or cost incurred for  
 1878 installing a qualifying upgrade required to interconnect a triggering project. No deduction shall be allowed  
 1879 under this section for a taxpayer who has claimed a deduction under subsection I of § 58.1-402 for the same  
 1880 amount paid or cost incurred to install such qualifying upgrade.

1881 For purposes of this subdivision, "qualifying upgrade" and "triggering project" have the same meanings as  
 1882 provided for those terms in § 56-596.5.

1883 20. *For taxable years beginning on or after January 1, 2026, the amount donated to the Virginia College  
 1884 Opportunity Fund established under § 23.1-701.*

**§ 58.1-344.3. Voluntary contributions of refunds requirements.**

1886 A. 1. For taxable years beginning on and after January 1, 2005, all entities entitled to voluntary  
 1887 contributions of tax refunds listed in subsections B and C must have received at least \$10,000 in contributions  
 1888 in each of the three previous taxable years for which there is complete data and in which such entity was  
 1889 listed on the individual income tax return.

1890 2. In the event that an entity listed in subsections B and C does not satisfy the requirement in subdivision  
 1891 1, such entity shall no longer be listed on the individual income tax return.

1892 3. a. The entities listed in subdivisions B 21 and B 22 as well as any other entities in subsections B and C  
 1893 added subsequent to the 2004 Session of the General Assembly shall not appear on the individual income tax  
 1894 return until their addition to the individual income tax return results in a maximum of 25 contributions listed  
 1895 on the return. Such contributions shall be added in the order that they are listed in subsections B and C.

1896 b. Each entity added to the income tax return shall appear on the return for at least three consecutive  
 1897 taxable years before the requirement in subdivision 1 is applied to such entity.

1898 4. The Department of Taxation shall report annually by the first day of each General Assembly Regular  
 1899 Session to the Chairmen of the House Committee on Finance and Senate Committee on Finance and  
 1900 Appropriations the amounts collected for each entity listed under subsections B and C for the three most  
 1901 recent taxable years for which there is complete data. Such report shall also identify the entities, if any, that  
 1902 will be removed from the individual income tax return because they have failed the requirements in  
 1903 subdivision 1, the entities that will remain on the individual income tax return, and the entities, if any, that  
 1904 will be added to the individual income tax return.

1905 B. Subject to the provisions of subsection A, the following entities entitled to voluntary contributions shall  
 1906 appear on the individual income tax return and are eligible to receive tax refund contributions of not less than  
 1907 \$1:

1908 1. Nongame wildlife voluntary contribution.

1909 a. All moneys contributed shall be used for the conservation and management of endangered species and  
 1910 other nongame wildlife. "Nongame wildlife" includes protected wildlife, endangered and threatened wildlife,  
 1911 aquatic wildlife, specialized habitat wildlife both terrestrial and aquatic, and mollusks, crustaceans, and other  
 1912 invertebrates under the jurisdiction of the Board of Wildlife Resources.

1913 b. All moneys shall be deposited into a special fund known as the Game Protection Fund and which shall  
 1914 be accounted for as a separate part thereof to be designated as the Nongame Cash Fund. All moneys so  
 1915 deposited in the Nongame Cash Fund shall be used by the Board of Wildlife Resources for the purposes set  
 1916 forth herein.

1917 2. Open space recreation and conservation voluntary contribution.

1918 a. All moneys contributed shall be used by the Department of Conservation and Recreation to acquire land  
1919 for recreational purposes and preserve natural areas; to develop, maintain, and improve state park sites and  
1920 facilities; and to provide funds to local public bodies pursuant to the Virginia Outdoor Fund Grants Program.  
1921 b. All moneys shall be deposited into a special fund known as the Open Space Recreation and  
1922 Conservation Fund. The moneys in the fund shall be allocated one-half to the Department of Conservation  
1923 and Recreation for the purposes stated in subdivision 2 a and one-half to local public bodies pursuant to the  
1924 Virginia Outdoor Fund Grants Program.

1925 3. Voluntary contribution to political party.  
1926 All moneys contributed shall be paid to the State Central Committee of any party that meets the definition  
1927 of a political party under § 24.2-101 as of July 1 of the previous taxable year. The maximum contribution  
1928 allowable under this subdivision shall be \$25. In the case of a joint return of married individuals, each spouse  
1929 may designate that the maximum contribution allowable be paid.

1930 4. United States Olympic Committee voluntary contribution.  
1931 All moneys contributed shall be paid to the United States Olympic Committee.

1932 5. Housing program voluntary contribution.  
1933 a. All moneys contributed shall be used by the Department of Housing and Community Development to  
1934 provide assistance for emergency, transitional, and permanent housing for the homeless; and to provide  
1935 assistance to housing for the low-income elderly for the physically or mentally disabled.  
1936 b. All moneys shall be deposited into a special fund known as the Virginia Tax Check-off for Housing  
1937 Fund. All moneys deposited in the fund shall be used by the Department of Housing and Community  
1938 Development for the purposes set forth in this subdivision. Funds made available to the Virginia Tax  
1939 Check-off for Housing Fund may supplement but shall not supplant activities of the Virginia Housing Trust  
1940 Fund established pursuant to Chapter 9 (§ 36-141 et seq.) of Title 36 or those of the Virginia Housing  
1941 Development Authority.

1942 6. Voluntary contributions to the Department for Aging and Rehabilitative Services.  
1943 a. All moneys contributed shall be used by the Department for Aging and Rehabilitative Services for the  
1944 enhancement of transportation services for the elderly and disabled.  
1945 b. All moneys shall be deposited into a special fund known as the Transportation Services for the Elderly  
1946 and Disabled Fund. All moneys so deposited in the fund shall be used by the Department for Aging and  
1947 Rehabilitative Services for the enhancement of transportation services for the elderly and disabled. The  
1948 Department for Aging and Rehabilitative Services shall conduct an annual audit of the moneys received  
1949 pursuant to this subdivision and shall provide an evaluation of all programs funded pursuant to this  
1950 subdivision annually to the Secretary of Health and Human Resources.

1951 7. Voluntary contribution to the Community Policing Fund.  
1952 a. All moneys contributed shall be used to provide grants to local law-enforcement agencies for the  
1953 purchase of equipment or the support of services, as approved by the Criminal Justice Services Board,  
1954 relating to community policing.  
1955 b. All moneys shall be deposited into a special fund known as the Community Policing Fund. All moneys  
1956 deposited in such fund shall be used by the Department of Criminal Justice Services for the purposes set  
1957 forth herein.

1958 8. Voluntary contribution to promote the arts.  
1959 All moneys contributed shall be used by the Virginia Commission for the Arts in its statutory  
1960 responsibility of promoting the arts in the Commonwealth. All moneys shall be deposited into a special fund  
1961 known as the Virginia Commission for the Arts Fund.

1962 9. Voluntary contribution to the Historic Resources Fund.  
1963 All moneys contributed shall be deposited in the Historic Resources Fund established pursuant to  
1964 § 10.1-2202.1.

1965 10. Voluntary contribution to the Virginia Foundation for the Humanities and Public Policy.  
1966 All moneys contributed shall be paid to the Virginia Foundation for the Humanities and Public Policy. All  
1967 moneys shall be deposited into a special fund known as the Virginia Humanities Fund.

1968 11. Voluntary contribution to the Center for Governmental Studies.  
1969 All moneys contributed shall be paid to the Center for Governmental Studies, a public service and  
1970 research center of the University of Virginia. All moneys shall be deposited into a special fund known as the  
1971 Governmental Studies Fund.

1972 12. Voluntary contribution to the Law and Economics Center.  
1973 All moneys contributed shall be paid to the Law and Economics Center, a public service and research  
1974 center of George Mason University. All moneys shall be deposited into a special fund known as the Law and  
1975 Economics Fund.

1976 13. Voluntary contribution to Children of America Finding Hope.  
1977 All moneys contributed shall be used by Children of America Finding Hope (CAFH) in its programs  
1978 which are designed to reach children with emotional and physical needs.

1979 14. Voluntary contribution to 4-H Educational Centers.

**1980** All moneys contributed shall be used by the 4-H Educational Centers throughout the Commonwealth for their (i) educational, leadership, and camping programs and (ii) operational and capital costs. The State Treasurer shall pay the moneys to the Virginia 4-H Foundation in Blacksburg, Virginia.

**1981** 15. Voluntary contribution to promote organ and tissue donation.

**1982** a. All moneys contributed shall be used by the Virginia Transplant Council to assist in its statutory responsibility of promoting and coordinating educational and informational activities as related to the organ, tissue, and eye donation process and transplantation in the Commonwealth of Virginia.

**1983** b. All moneys shall be deposited into a special fund known as the Virginia Donor Registry and Public Awareness Fund. All moneys deposited in such fund shall be used by the Virginia Transplant Council for the purposes set forth herein.

**1984** 16. Voluntary contributions to the Virginia War Memorial division of the Department of Veterans Services and the National D-Day Memorial Foundation.

**1985** All moneys contributed shall be used by the Virginia War Memorial division of the Department of Veterans Services and the National D-Day Memorial Foundation in their work through each of their respective memorials. The State Treasurer shall divide the moneys into two equal portions and pay one portion to the Virginia War Memorial division of the Department of Veterans Services and the other portion to the National D-Day Memorial Foundation.

**1986** 17. Voluntary contribution to the Virginia Federation of Humane Societies.

**1987** All moneys contributed shall be paid to the Virginia Federation of Humane Societies to assist in its mission of saving, caring for, and finding homes for homeless animals.

**1988** 18. Voluntary contribution to the Tuition Assistance Grant Fund.

**1989** a. All moneys contributed shall be paid to the Tuition Assistance Grant Fund for use in providing monetary assistance to residents of the Commonwealth who are enrolled in undergraduate or graduate programs in private Virginia colleges.

**1990** b. All moneys shall be deposited into a special fund known as the Tuition Assistance Grant Fund. All moneys so deposited in the Fund shall be administered by the State Council of Higher Education for Virginia in accordance with and for the purposes provided under the Tuition Assistance Grant Act (§ 23.1-628 et seq.).

**1991** 19. Voluntary contribution to the Spay and Neuter Fund.

**1992** All moneys contributed shall be paid to the Spay and Neuter Fund for use by localities in the Commonwealth for providing low-cost spay and neuter surgeries through direct provision or contract or each locality may make the funds available to any private, nonprofit sterilization program for dogs and cats in such locality. The Tax Commissioner shall determine annually the total amounts designated on all returns from each locality in the Commonwealth, based upon the locality that each filer who makes a voluntary contribution to the Fund lists as his permanent address. The State Treasurer shall pay the appropriate amount to each respective locality.

**1993** 20. Voluntary contribution to the Virginia Commission for the Arts.

**1994** All moneys contributed shall be paid to the Virginia Commission for the Arts.

**1995** 21. Voluntary contribution for the Department of Emergency Management.

**1996** All moneys contributed shall be paid to the Department of Emergency Management.

**1997** 22. Voluntary contribution for the cancer centers in the Commonwealth.

**1998** All moneys contributed shall be paid equally to all entities in the Commonwealth that officially have been designated as cancer centers by the National Cancer Institute.

**1999** 23. Voluntary contribution to the Brown v. Board of Education Scholarship Program Fund.

**2000** a. All moneys contributed shall be paid to the Brown v. Board of Education Scholarship Program Fund to support the work of and generate nonstate funds to maintain the Brown v. Board of Education Scholarship Program.

**2001** b. All moneys shall be deposited into the Brown v. Board of Education Scholarship Program Fund as established in § 30-231.4.

**2002** c. All moneys so deposited in the Fund shall be administered by the State Council of Higher Education in accordance with and for the purposes provided in Chapter 34.1 (§ 30-231.01 et seq.) of Title 30.

**2003** 24. Voluntary contribution to the Martin Luther King, Jr. Living History and Public Policy Center.

**2004** All moneys contributed shall be paid to the Board of Trustees of the Martin Luther King, Jr. Living History and Public Policy Center.

**2005** 25. Voluntary contribution to the Virginia Caregivers Grant Fund.

**2006** All moneys contributed shall be paid to the Virginia Caregivers Grant Fund established pursuant to § 63.2-2202.

**2007** 26. Voluntary contribution to public library foundations.

**2008** All moneys contributed pursuant to this subdivision shall be deposited into the state treasury. The Tax Commissioner shall determine annually the total amounts designated on all returns for each public library foundation and shall report the same to the State Treasurer. The State Treasurer shall pay the appropriate amount to the respective public library foundation.

**2009** 27. Voluntary contribution to Celebrating Special Children, Inc.

2042 All moneys contributed shall be paid to Celebrating Special Children, Inc. and shall be deposited into a  
2043 special fund known as the Celebrating Special Children, Inc. Fund.

2044 28. Voluntary contributions to the Department for Aging and Rehabilitative Services.

2045 a. All moneys contributed shall be used by the Department for Aging and Rehabilitative Services for  
2046 providing Medicare Part D counseling to the elderly and disabled.

2047 b. All moneys shall be deposited into a special fund known as the Medicare Part D Counseling Fund. All  
2048 moneys so deposited shall be used by the Department for Aging and Rehabilitative Services to provide  
2049 counseling for the elderly and disabled concerning Medicare Part D. The Department for Aging and  
2050 Rehabilitative Services shall conduct an annual audit of the moneys received pursuant to this subdivision and  
2051 shall provide an evaluation of all programs funded pursuant to the subdivision to the Secretary of Health and  
2052 Human Resources.

2053 29. Voluntary contribution to community foundations.

2054 All moneys contributed pursuant to this subdivision shall be deposited into the state treasury. The Tax  
2055 Commissioner shall determine annually the total amounts designated on all returns for each community  
2056 foundation and shall report the same to the State Treasurer. The State Treasurer shall pay the appropriate  
2057 amount to the respective community foundation. A "community foundation" shall be defined as any  
2058 institution that meets the membership requirements for a community foundation established by the Council  
2059 on Foundations.

2060 30. Voluntary contribution to the Virginia Foundation for Community College Education.

2061 a. All moneys contributed shall be paid to the Virginia Foundation for Community College Education for  
2062 use in providing monetary assistance to Virginia residents who are enrolled in comprehensive community  
2063 colleges in Virginia.

2064 b. All moneys shall be deposited into a special fund known as the Virginia Foundation for Community  
2065 College Education Fund. All moneys so deposited in the Fund shall be administered by the Virginia  
2066 Foundation for Community College Education in accordance with and for the purposes provided under the  
2067 Community College Incentive Scholarship Program (former § 23-220.2 et seq.).

2068 31. Voluntary contribution to the Middle Peninsula Chesapeake Bay Public Access Authority.

2069 All moneys contributed shall be paid to the Middle Peninsula Chesapeake Bay Public Access Authority to  
2070 be used for the purposes described in § 15.2-6601.

2071 32. Voluntary contribution to the Breast and Cervical Cancer Prevention and Treatment Fund.

2072 All moneys contributed shall be paid to the Breast and Cervical Cancer Prevention and Treatment Fund  
2073 established pursuant to § 32.1-368.

2074 33. Voluntary contribution to the Virginia Aquarium and Marine Science Center.

2075 All moneys contributed shall be paid to the Virginia Aquarium and Marine Science Center for use in its  
2076 mission to increase the public's knowledge and appreciation of Virginia's marine environment and inspire  
2077 commitment to preserve its existence.

2078 34. Voluntary contribution to the Virginia Capitol Preservation Foundation.

2079 All moneys contributed shall be paid to the Virginia Capitol Preservation Foundation for use in its mission  
2080 in supporting the ongoing restoration, preservation, and interpretation of the Virginia Capitol and Capitol  
2081 Square.

2082 35. Voluntary contribution for the Secretary of Veterans and Defense Affairs.

2083 All moneys contributed shall be paid to the Office of the Secretary of Veterans and Defense Affairs for  
2084 related programs and services.

2085 C. Subject to the provisions of subsection A, the following voluntary contributions shall appear on the  
2086 individual income tax return and are eligible to receive tax refund contributions or by making payment to the  
2087 Department if the individual is not eligible to receive a tax refund pursuant to § 58.1-309 or if the amount of  
2088 such tax refund is less than the amount of the voluntary contribution:

2089 1. Voluntary contribution to the Family and Children's Trust Fund of Virginia.

2090 All moneys contributed shall be paid to the Family and Children's Trust Fund of Virginia.

2091 2. Voluntary Chesapeake Bay restoration contribution.

2092 a. All moneys contributed shall be used to help fund Chesapeake Bay and its tributaries restoration  
2093 activities in accordance with tributary plans developed pursuant to Article 7 (§ 2.2-215 et seq.) of Chapter 2  
2094 of Title 2.2 or the Chesapeake Bay Watershed Implementation Plan submitted by the Commonwealth of  
2095 Virginia to the U.S. Environmental Protection Agency on November 29, 2010, and any subsequent revisions  
2096 thereof.

2097 b. The Tax Commissioner shall annually determine the total amount of voluntary contributions and shall  
2098 report the same to the State Treasurer, who shall credit that amount to a special nonreverting fund to be  
2099 administered by the Office of the Secretary of Natural and Historic Resources. All moneys so deposited shall  
2100 be used for the purposes of providing grants for the implementation of tributary plans developed pursuant to  
2101 Article 7 (§ 2.2-215 et seq.) of Chapter 2 of Title 2.2 or the Chesapeake Bay Watershed Implementation Plan  
2102 submitted by the Commonwealth of Virginia to the U.S. Environmental Protection Agency on November 29,  
2103 2010, and any subsequent revisions thereof.

2104 c. No later than November 1 of each year, the Secretary of Natural and Historic Resources shall submit a  
 2105 report to the House Committee on Agriculture, Chesapeake and Natural Resources; the Senate Committee on  
 2106 Agriculture, Conservation and Natural Resources; the House Committee on Appropriations; the Senate  
 2107 Committee on Finance and Appropriations; and the Virginia delegation to the Chesapeake Bay Commission,  
 2108 describing the grants awarded from moneys deposited in the fund. The report shall include a list of grant  
 2109 recipients, a description of the purpose of each grant, the amount received by each grant recipient, and an  
 2110 assessment of activities or initiatives supported by each grant. The report shall be posted on a website  
 2111 maintained by the Secretary of Natural and Historic Resources, along with a cumulative listing of previous  
 2112 grant awards beginning with awards granted on or after July 1, 2014.

2113 3. Voluntary Jamestown-Yorktown Foundation Contribution.

2114 All moneys contributed shall be used by the Jamestown-Yorktown Foundation for the Jamestown 2007  
 2115 quadricentennial celebration. All moneys shall be deposited into a special fund known as the Jamestown  
 2116 Quadricentennial Fund. This subdivision shall be effective for taxable years beginning before January 1,  
 2117 2008.

2118 4. State forests voluntary contribution.

2119 a. All moneys contributed shall be used for the development and implementation of conservation and  
 2120 education initiatives in the state forests system.

2121 b. All moneys shall be deposited into a special fund known as the State Forests System Fund, established  
 2122 pursuant to § 10.1-1119.1. All moneys so deposited in such fund shall be used by the State Forester for the  
 2123 purposes set forth herein.

2124 5. Voluntary contributions to Uninsured Medical Catastrophe Fund.

2125 All moneys contributed shall be paid to the Uninsured Medical Catastrophe Fund established pursuant to  
 2126 § 32.1-324.2, such funds to be used for the treatment of Virginians sustaining uninsured medical catastrophes.

2127 6. Voluntary contribution to local school divisions.

2128 a. All moneys contributed shall be used by a specified local public school foundation as created by and for  
 2129 the purposes stated in § 22.1-212.2:2.

2130 b. All moneys collected pursuant to subdivision 6 a or through voluntary payments by taxpayers  
 2131 designated for a local public school foundation over refundable amounts shall be deposited into the state  
 2132 treasury. The Tax Commissioner shall determine annually the total amounts designated on all returns for each  
 2133 public school foundation and shall report the same to the State Treasurer. The State Treasurer shall pay the  
 2134 appropriate amount to the respective public school foundation.

2135 c. In order for a public school foundation to be eligible to receive contributions under this section, school  
 2136 boards must notify the Department during the taxable year in which they want to participate prior to the  
 2137 deadlines and according to procedures established by the Tax Commissioner.

2138 7. Voluntary contribution to Home Energy Assistance Fund.

2139 All moneys contributed shall be paid to the Home Energy Assistance Fund established pursuant to  
 2140 § 63.2-805, such funds to be used to assist low-income Virginians in meeting seasonal residential energy  
 2141 needs.

2142 8. Voluntary contribution to the Virginia Military Family Relief Fund.

2143 a. All moneys contributed shall be paid to the Virginia Military Family Relief Fund for use in providing  
 2144 assistance to military service personnel on active duty and their families for living expenses including, but not  
 2145 limited to, food, housing, utilities, and medical services.

2146 b. All moneys shall be deposited into a special fund known as the Virginia Military Family Relief Fund,  
 2147 established and administered pursuant to § 44-102.2.

2148 9. Voluntary contribution to the Federation of Virginia Food Banks.

2149 All moneys contributed shall be paid to the Federation of Virginia Food Banks, a Partner State  
 2150 Association of Feeding America. The Federation of Virginia Food Banks shall as soon as practicable make an  
 2151 equitable distribution of all such moneys to the Blue Ridge Area Food Bank, Capital Area Food Bank,  
 2152 Feeding America Southwest Virginia, FeedMore, Inc., Foodbank of Southeastern Virginia and the Eastern  
 2153 Shore, Fredericksburg Area Food Bank, or Virginia Peninsula Foodbank.

2154 The Secretary of Finance may request records or receipts of all distributions by the Federation of Virginia  
 2155 Food Banks of such moneys contributed for purposes of ensuring compliance with the requirements of this  
 2156 subdivision.

2157 10. Voluntary contribution to the endowment fund of the Board for the Blind and Vision Impaired.

2158 All moneys contributed shall be paid to the endowment fund of the Board for use in its mission in  
 2159 providing quality services to assist citizens of the Commonwealth who are blind, vision impaired, or  
 2160 deafblind in achieving their desired level of employment, education, and personal independence.

2161 11. Voluntary contribution to the Virginia College Opportunity Fund established in § 23.1-701, which  
 2162 shall be deposited in such fund.

2163 D. Unless otherwise specified and subject to the requirements in § 58.1-344.2, all moneys collected for  
 2164 each entity in subsections B and C shall be deposited into the state treasury. The Tax Commissioner shall  
 2165 determine annually the total amount designated for each entity in subsections B and C on all individual

2166 income tax returns and shall report the same to the State Treasurer, who shall credit that amount to each  
2167 entity's respective special fund.

**2168 § 58.1-344.4. Voluntary contributions of refunds into Commonwealth Savers Plan accounts.**

2169 A. If an individual is entitled to an income tax refund for the taxable year, that individual may designate  
2170 on his Virginia individual income tax return a contribution to one or more Commonwealth Savers Plan  
2171 accounts established under *Chapter 7 Article 1* (§ 23.1-700 et seq.) of *Chapter 7 of Title 23.1*, in the amount  
2172 of the entire individual income tax refund or a portion thereof.

2173 B. 1. The Department of Taxation shall send each contribution made pursuant to subsection A to the  
2174 Commonwealth Savers Plan with the following information:

2175 a. The amount of the individual income tax refund or that portion of the refund that the individual has  
2176 chosen to contribute;

2177 b. The taxpayer's name, Social Security number or taxpayer identification number, address, and telephone  
2178 number; and

2179 c. The Commonwealth Savers Plan account number or numbers into which the contributions will be  
2180 deposited.

2181 2. If a contribution to a Commonwealth Savers Plan account is designated in an individual income tax  
2182 return filed jointly by married individuals, the Department of Taxation shall send the information described in  
2183 subdivision 1 for both spouses to the Commonwealth Savers Plan.

2184 C. 1. If the taxpayer owns a single Commonwealth Savers Plan account, the Commonwealth Savers Plan  
2185 shall deposit the contribution made pursuant to subsection A into that account.

2186 2. If the taxpayer owns more than one Commonwealth Savers Plan account, the Commonwealth Savers Plan  
2187 shall allocate the contribution made pursuant to subsection A between or among the accounts in equal  
2188 amounts, or as otherwise designated by the taxpayer.

2189 3. If the taxpayer does not own an existing Commonwealth Savers Plan account and does not wish to open  
2190 an account, contributions made pursuant to subsection A shall be returned to the taxpayer by the  
2191 Commonwealth Savers Plan.

2192 D. For the purpose of determining interest on an overpayment or refund under § 58.1-1833, no interest  
2193 shall accrue after the Department of Taxation sends the contribution to the Commonwealth Savers Plan.

2194 E. Any taxpayer designating that a refund be contributed to a Commonwealth Savers Plan account shall,  
2195 by making such designation, be deemed to authorize the Department of Taxation to provide all necessary  
2196 information, including the information specified in subdivision B 1, to the Commonwealth Savers Plan.

**2197 § 58.1-402. Virginia taxable income.**

2198 A. For purposes of this article, Virginia taxable income for a taxable year means the federal taxable  
2199 income and any other income taxable to the corporation under federal law for such year of a corporation  
2200 adjusted as provided in subsections B, C, D, E, G, H, and I.

2201 For a regulated investment company and a real estate investment trust, such term means the "investment  
2202 company taxable income" and "real estate investment trust taxable income," respectively, to which shall be  
2203 added in each case any amount of capital gains and any other income taxable to the corporation under federal  
2204 law which shall be further adjusted as provided in subsections B, C, D, E, G, H, and I.

2205 B. There shall be added to the extent excluded from federal taxable income:

2206 1. Interest, less related expenses to the extent not deducted in determining federal taxable income, on  
2207 obligations of any state other than Virginia, or of a political subdivision of any such other state unless created  
2208 by compact or agreement to which the Commonwealth is a party;

2209 2. Interest or dividends, less related expenses to the extent not deducted in determining federal taxable  
2210 income, on obligations or securities of any authority, commission or instrumentality of the United States,  
2211 which the laws of the United States exempt from federal income tax but not from state income taxes;

2212 3. [Repealed.]

2213 4. The amount of any net income taxes and other taxes, including franchise and excise taxes, which are  
2214 based on, measured by, or computed with reference to net income, imposed by the Commonwealth or any  
2215 other taxing jurisdiction, to the extent deducted in determining federal taxable income;

2216 5. Unrelated business taxable income as defined by § 512 of the Internal Revenue Code;

2217 6. [Repealed.]

2218 7. The amount required to be included in income for the purpose of computing the partial tax on an  
2219 accumulation distribution pursuant to § 667 of the Internal Revenue Code;

2220 8. a. For taxable years beginning on and after January 1, 2004, the amount of any intangible expenses and  
2221 costs directly or indirectly paid, accrued, or incurred to, or in connection directly or indirectly with one or  
2222 more direct or indirect transactions with one or more related members to the extent such expenses and costs  
2223 were deductible or deducted in computing federal taxable income for Virginia purposes. This addition shall  
2224 not be required for any portion of the intangible expenses and costs if one of the following applies:

2225 (1) The corresponding item of income received by the related member is subject to a tax based on or  
2226 measured by net income or capital imposed by Virginia, another state, or a foreign government that has  
2227 entered into a comprehensive tax treaty with the United States government;

2228 (2) The related member derives at least one-third of its gross revenues from the licensing of intangible  
 2229 property to parties who are not related members, and the transaction giving rise to the expenses and costs  
 2230 between the corporation and the related member was made at rates and terms comparable to the rates and  
 2231 terms of agreements that the related member has entered into with parties who are not related members for  
 2232 the licensing of intangible property; or

2233 (3) The corporation can establish to the satisfaction of the Tax Commissioner that the intangible expenses  
 2234 and costs meet both of the following: (i) the related member during the same taxable year directly or  
 2235 indirectly paid, accrued or incurred such portion to a person who is not a related member, and (ii) the  
 2236 transaction giving rise to the intangible expenses and costs between the corporation and the related member  
 2237 did not have as a principal purpose the avoidance of any portion of the tax due under this chapter.

2238 b. A corporation required to add to its federal taxable income intangible expenses and costs pursuant to  
 2239 subdivision a may petition the Tax Commissioner, after filing the related income tax return for the taxable  
 2240 year and remitting to the Tax Commissioner all taxes, penalties, and interest due under this article for such  
 2241 taxable year including tax upon any amount of intangible expenses and costs required to be added to federal  
 2242 taxable income pursuant to subdivision a, to consider evidence relating to the transaction or transactions  
 2243 between the corporation and a related member or members that resulted in the corporation's taxable income  
 2244 being increased, as required under subdivision a, for such intangible expenses and costs.

2245 If the corporation can demonstrate to the Tax Commissioner's sole satisfaction, by clear and convincing  
 2246 evidence, that the transaction or transactions between the corporation and a related member or members  
 2247 resulting in such increase in taxable income pursuant to subdivision a had a valid business purpose other than  
 2248 the avoidance or reduction of the tax due under this chapter, the Tax Commissioner shall permit the  
 2249 corporation to file an amended return. For purposes of such amended return, the requirements of subdivision  
 2250 a shall not apply to any transaction for which the Tax Commissioner is satisfied (and has identified) that the  
 2251 transaction had a valid business purpose other than the avoidance or reduction of the tax due under this  
 2252 chapter. Such amended return shall be filed by the corporation within one year of the written permission  
 2253 granted by the Tax Commissioner and any refund of the tax imposed under this article shall include interest at  
 2254 a rate equal to the rate of interest established under § 58.1-15 and such interest shall accrue as provided under  
 2255 § 58.1-1833. However, upon the filing of such amended return, any related member of the corporation that  
 2256 subtracted from taxable income amounts received pursuant to subdivision C 21 shall be subject to the tax  
 2257 imposed under this article on that portion of such amounts for which the corporation has filed an amended  
 2258 return pursuant to this subdivision. In addition, for such transactions identified by the Tax Commissioner  
 2259 herein by which he has been satisfied by clear and convincing evidence, the Tax Commissioner may permit  
 2260 the corporation in filing income tax returns for subsequent taxable years to deduct the related intangible  
 2261 expenses and costs without making the adjustment under subdivision a.

2262 The Tax Commissioner may charge a fee for all direct and indirect costs relating to the review of any  
 2263 petition pursuant to this subdivision, to include costs necessary to secure outside experts in evaluating the  
 2264 petition. The Tax Commissioner may condition the review of any petition pursuant to this subdivision upon  
 2265 payment of such fee.

2266 No suit for the purpose of contesting any action of the Tax Commissioner under this subdivision shall be  
 2267 maintained in any court of this Commonwealth.

2268 c. Nothing in subdivision B 8 shall be construed to limit or negate the Department's authority under  
 2269 § 58.1-446;

2270 9. a. For taxable years beginning on and after January 1, 2004, the amount of any interest expenses and  
 2271 costs directly or indirectly paid, accrued, or incurred to, or in connection directly or indirectly with one or  
 2272 more direct or indirect transactions with one or more related members to the extent such expenses and costs  
 2273 were deductible or deducted in computing federal taxable income for Virginia purposes. This addition shall  
 2274 not be required for any portion of the interest expenses and costs, if:

2275 (1) The related member has substantial business operations relating to interest-generating activities, in  
 2276 which the related member pays expenses for at least five full-time employees who maintain, manage, defend  
 2277 or are otherwise responsible for operations or administration relating to the interest-generating activities; and

2278 (2) The interest expenses and costs are not directly or indirectly for, related to or in connection with the  
 2279 direct or indirect acquisition, maintenance, management, sale, exchange, or disposition of intangible property;  
 2280 and

2281 (3) The transaction giving rise to the expenses and costs between the corporation and the related member  
 2282 has a valid business purpose other than the avoidance or reduction of taxation and payments between the  
 2283 parties are made at arm's length rates and terms; and

2284 (4) One of the following applies:

2285 (i) The corresponding item of income received by the related member is subject to a tax based on or  
 2286 measured by net income or capital imposed by Virginia, another state, or a foreign government that has  
 2287 entered into a comprehensive tax treaty with the United States government;

2288 (ii) Payments arise pursuant to a pre-existing contract entered into when the parties were not related  
 2289 members provided the payments continue to be made at arm's length rates and terms;

2290 (iii) The related member engages in transactions with parties other than related members that generate  
2291 revenue in excess of \$2 million annually; or

2292 (iv) The transaction giving rise to the interest payments between the corporation and a related member  
2293 was done at arm's length rates and terms and meets any of the following: (a) the related member uses funds  
2294 that are borrowed from a party other than a related member or that are paid, incurred or passed-through to a  
2295 person who is not a related member; (b) the debt is part of a regular and systematic funds management or  
2296 portfolio investment activity conducted by the related member, whereby the funds of two or more related  
2297 members are aggregated for the purpose of achieving economies of scale, the internal financing of the active  
2298 business operations of members, or the benefit of centralized management of funds; (c) financing the  
2299 expansion of the business operations; or (d) restructuring the debt of related members, or the pass-through of  
2300 acquisition-related indebtedness to related members.

2301 b. A corporation required to add to its federal taxable income interest expenses and costs pursuant to  
2302 subdivision a may petition the Tax Commissioner, after filing the related income tax return for the taxable  
2303 year and remitting to the Tax Commissioner all taxes, penalties, and interest due under this article for such  
2304 taxable year including tax upon any amount of interest expenses and costs required to be added to federal  
2305 taxable income pursuant to subdivision a, to consider evidence relating to the transaction or transactions  
2306 between the corporation and a related member or members that resulted in the corporation's taxable income  
2307 being increased, as required under subdivision a, for such interest expenses and costs.

2308 If the corporation can demonstrate to the Tax Commissioner's sole satisfaction, by clear and convincing  
2309 evidence, that the transaction or transactions between the corporation and a related member or members  
2310 resulting in such increase in taxable income pursuant to subdivision a had a valid business purpose other than  
2311 the avoidance or reduction of the tax due under this chapter and that the related payments between the parties  
2312 were made at arm's length rates and terms, the Tax Commissioner shall permit the corporation to file an  
2313 amended return. For purposes of such amended return, the requirements of subdivision a shall not apply to  
2314 any transaction for which the Tax Commissioner is satisfied (and has identified) that the transaction had a  
2315 valid business purpose other than the avoidance or reduction of the tax due under this chapter and that the  
2316 related payments between the parties were made at arm's length rates and terms. Such amended return shall  
2317 be filed by the corporation within one year of the written permission granted by the Tax Commissioner and  
2318 any refund of the tax imposed under this article shall include interest at a rate equal to the rate of interest  
2319 established under § 58.1-15 and such interest shall accrue as provided under § 58.1-1833. However, upon the  
2320 filing of such amended return, any related member of the corporation that subtracted from taxable income  
2321 amounts received pursuant to subdivision C 21 shall be subject to the tax imposed under this article on that  
2322 portion of such amounts for which the corporation has filed an amended return pursuant to this subdivision.  
2323 In addition, for such transactions identified by the Tax Commissioner herein by which he has been satisfied  
2324 by clear and convincing evidence, the Tax Commissioner may permit the corporation in filing income tax  
2325 returns for subsequent taxable years to deduct the related interest expenses and costs without making the  
2326 adjustment under subdivision a.

2327 The Tax Commissioner may charge a fee for all direct and indirect costs relating to the review of any  
2328 petition pursuant to this subdivision, to include costs necessary to secure outside experts in evaluating the  
2329 petition. The Tax Commissioner may condition the review of any petition pursuant to this subdivision upon  
2330 payment of such fee.

2331 No suit for the purpose of contesting any action of the Tax Commissioner under this subdivision shall be  
2332 maintained in any court of this Commonwealth.

2333 c. Nothing in subdivision B 9 shall be construed to limit or negate the Department's authority under  
2334 § 58.1-446.

2335 d. For purposes of subdivision B 9:

2336 "Arm's-length rates and terms" means that (i) two or more related members enter into a written agreement  
2337 for the transaction, (ii) such agreement is of a duration and contains payment terms substantially similar to  
2338 those that the related member would be able to obtain from an unrelated entity, (iii) the interest is at or below  
2339 the applicable federal rate compounded annually for debt instruments under § 1274(d) of the Internal  
2340 Revenue Code that was in effect at the time of the agreement, and (iv) the borrower or payor adheres to the  
2341 payment terms of the agreement governing the transaction or any amendments thereto.

2342 "Valid business purpose" means one or more business purposes that alone or in combination constitute the  
2343 motivation for some business activity or transaction, which activity or transaction improves, apart from tax  
2344 effects, the economic position of the taxpayer, as further defined by regulation.

2345 10. a. For taxable years beginning on and after January 1, 2009, the amount of dividends deductible under  
2346 §§ 561 and 857 of the Internal Revenue Code by a Captive Real Estate Investment Trust (REIT). For  
2347 purposes of this subdivision, a REIT is a Captive REIT if:

2348 (1) It is not regularly traded on an established securities market;

2349 (2) More than 50 percent of the voting power or value of beneficial interests or shares of which, at any  
2350 time during the last half of the taxable year, is owned or controlled, directly or indirectly, by a single entity  
2351 that is (i) a corporation or an association taxable as a corporation under the Internal Revenue Code; and (ii)

2352 not exempt from federal income tax pursuant to § 501(a) of the Internal Revenue Code; and  
 2353 (3) More than 25 percent of its income consists of rents from real property as defined in § 856(d) of the  
 2354 Internal Revenue Code.

2355 b. For purposes of applying the ownership test of subdivision 10 a (2), the following entities shall not be  
 2356 considered a corporation or an association taxable as a corporation:

2357 (1) Any REIT that is not treated as a Captive REIT;

2358 (2) Any REIT subsidiary under § 856 of the Internal Revenue Code other than a qualified REIT subsidiary  
 2359 of a Captive REIT;

2360 (3) Any Listed Australian Property Trust, or an entity organized as a trust, provided that a Listed  
 2361 Australian Property Trust owns or controls, directly or indirectly, 75 percent or more of the voting or value of  
 2362 the beneficial interests or shares of such trust; and

2363 (4) Any Qualified Foreign Entity.

2364 c. For purposes of subdivision B 10, the constructive ownership rules prescribed under § 318(a) of the  
 2365 Internal Revenue Code, as modified by § 856(d)(5) of the Internal Revenue Code, shall apply in determining  
 2366 the ownership of stock, assets, or net profits of any person.

2367 d. For purposes of subdivision B 10:

2368 "Listed Australian Property Trust" means an Australian unit trust registered as a Management Investment  
 2369 Scheme, pursuant to the Australian Corporations Act, in which the principal class of units is listed on a  
 2370 recognized stock exchange in Australia and is regularly traded on an established securities market.

2371 "Qualified Foreign Entity" means a corporation, trust, association or partnership organized outside the  
 2372 laws of the United States and that satisfies all of the following criteria:

2373 (1) At least 75 percent of the entity's total asset value at the close of its taxable year is represented by real  
 2374 estate assets, as defined in § 856(c)(5)(B) of the Internal Revenue Code, thereby including shares or  
 2375 certificates of beneficial interest in any REIT, cash and cash equivalents, and U.S. Government securities;

2376 (2) The entity is not subject to a tax on amounts distributed to its beneficial owners, or is exempt from  
 2377 entity level tax;

2378 (3) The entity distributes, on an annual basis, at least 85 percent of its taxable income, as computed in the  
 2379 jurisdiction in which it is organized, to the holders of its shares or certificates of beneficial interest;

2380 (4) The shares or certificates of beneficial interest of such entity are regularly traded on an established  
 2381 securities market or, if not so traded, not more than 10 percent of the voting power or value in such entity is  
 2382 held directly, indirectly, or constructively by a single entity or individual; and

2383 (5) The entity is organized in a country that has a tax treaty with the United States.

2384 e. For taxable years beginning on or after January 1, 2016, for purposes of subdivision B 10, any voting  
 2385 power or value of the beneficial interests or shares in a REIT that is held in a segregated asset account of a  
 2386 life insurance corporation as described in § 817 of the Internal Revenue Code shall not be taken into  
 2387 consideration when determining if such REIT is a Captive REIT.

2388 11. For taxable years beginning on or after January 1, 2016, to the extent that tax credit is allowed for the  
 2389 same donation pursuant to § 58.1-439.12:12, any amount claimed as a federal income tax deduction for such  
 2390 donation under § 170 of the Internal Revenue Code, as amended or renumbered.

2391 C. There shall be subtracted to the extent included in and not otherwise subtracted from federal taxable  
 2392 income:

2393 1. Income derived from obligations, or on the sale or exchange of obligations, of the United States and on  
 2394 obligations or securities of any authority, commission or instrumentality of the United States to the extent  
 2395 exempt from state income taxes under the laws of the United States including, but not limited to, stocks,  
 2396 bonds, treasury bills, and treasury notes, but not including interest on refunds of federal taxes, interest on  
 2397 equipment purchase contracts, or interest on other normal business transactions.

2398 2. Income derived from obligations, or on the sale or exchange of obligations of this Commonwealth or of  
 2399 any political subdivision or instrumentality of this Commonwealth.

2400 3. Dividends upon stock in any domestic international sales corporation, as defined by § 992 of the  
 2401 Internal Revenue Code, 50 percent or more of the income of which was assessable for the preceding year, or  
 2402 the last year in which such corporation has income, under the provisions of the income tax laws of the  
 2403 Commonwealth.

2404 4. The amount of any refund or credit for overpayment of income taxes imposed by this Commonwealth  
 2405 or any other taxing jurisdiction.

2406 5. Any amount included therein by the operation of the provisions of § 78 of the Internal Revenue Code  
 2407 (foreign dividend gross-up).

2408 6. The amount of wages or salaries eligible for the federal Targeted Jobs Credit which was not deducted  
 2409 for federal purposes on account of the provisions of § 280C(a) of the Internal Revenue Code.

2410 7. Any amount included therein by the operation of § 951 of the Internal Revenue Code (subpart F  
 2411 income) or, for taxable years beginning on and after January 1, 2018, § 951A of the Internal Revenue Code  
 2412 (Global Intangible Low-Taxed Income).

2413 8. Any amount included therein which is foreign source income as defined in § 58.1-302.

2414 9. [Repealed.]  
2415 10. The amount of any dividends received from corporations in which the taxpaying corporation owns 50  
2416 percent or more of the voting stock.  
2417 11. [Repealed.]  
2418 12, 13. [Expired.]  
2419 14. For taxable years beginning on or after January 1, 1995, the amount for "qualified research expenses"  
2420 or "basic research expenses" eligible for deduction for federal purposes, but which were not deducted, on  
2421 account of the provisions of § 280C(c) of the Internal Revenue Code.  
2422 15. For taxable years beginning on or after January 1, 2000, the total amount actually contributed in funds  
2423 to the Virginia Public School Construction Grants Program and Fund established in Chapter 11.1  
2424 (§ 22.1-175.1 et seq.) of Title 22.1.  
2425 16. For taxable years beginning on or after January 1, 2000, but before January 1, 2015, the gain derived  
2426 from the sale or exchange of real property or the sale or exchange of an easement to real property which  
2427 results in the real property or the easement thereto being devoted to open-space use, as that term is defined in  
2428 § 58.1-3230, for a period of time not less than 30 years. To the extent a subtraction is taken in accordance  
2429 with this subdivision, no tax credit under this chapter for donating land for its preservation shall be allowed  
2430 for three years following the year in which the subtraction is taken.  
2431 17. For taxable years beginning on and after January 1, 2001, any amount included therein with respect to  
2432 § 58.1-440.1.  
2433 18. For taxable years beginning on and after January 1, 1999, income received as a result of (i) the  
2434 "Master Settlement Agreement," as defined in § 3.2-3100; and (ii) the National Tobacco Grower Settlement  
2435 Trust dated July 19, 1999, by (a) tobacco farming businesses; (b) any business holding a tobacco marketing  
2436 quota, or tobacco farm acreage allotment, under the Agricultural Adjustment Act of 1938; or (c) any business  
2437 having the right to grow tobacco pursuant to such a quota allotment.  
2438 19, 20. [Repealed.]  
2439 21. For taxable years beginning on and after January 1, 2004, any amount of intangible expenses and costs  
2440 or interest expenses and costs added to the federal taxable income of a corporation pursuant to subdivision B  
2441 8 or B 9 shall be subtracted from the federal taxable income of the related member that received such amount  
2442 if such related member is subject to Virginia income tax on the same amount.  
2443 22. For taxable years beginning on and after January 1, 2009, any gain recognized from the sale of launch  
2444 services to space flight participants, as defined in 49 U.S.C. § 70102, or launch services intended to provide  
2445 individuals the training or experience of a launch, without performing an actual launch. To qualify for a  
2446 deduction under this subdivision, launch services must be performed in Virginia or originate from an airport  
2447 or spaceport in Virginia.  
2448 23. For taxable years beginning on and after January 1, 2009, any gain recognized as a result of resupply  
2449 services contracts for delivering payload, as defined in 49 U.S.C. § 70102, entered into with the Commercial  
2450 Orbital Transportation Services division of the National Aeronautics and Space Administration or other space  
2451 flight entity, as defined in § 8.01-227.8, and launched from an airport or spaceport in Virginia.  
2452 24. For taxable years beginning on or after January 1, 2011, any income taxed as a long-term capital gain  
2453 for federal income tax purposes, or any income taxed as investment services partnership interest income  
2454 (otherwise known as investment partnership carried interest income) for federal income tax purposes. To  
2455 qualify for a subtraction under this subdivision, such income must be attributable to an investment in a  
2456 "qualified business," as defined in § 58.1-339.4, or in any other technology business approved by the  
2457 Secretary of Administration, provided the business has its principal office or facility in the Commonwealth  
2458 and less than \$3 million in annual revenues in the fiscal year prior to the investment. To qualify for a  
2459 subtraction under this subdivision, the investment must be made between the dates of April 1, 2010, and June  
2460 30, 2020. No taxpayer who has claimed a tax credit for an investment in a "qualified business" under  
2461 § 58.1-339.4 shall be eligible for the subtraction under this subdivision for an investment in the same  
2462 business.  
2463 25. a. Income, including investment services partnership interest income (otherwise known as investment  
2464 partnership carried interest income), attributable to an investment in a Virginia venture capital account. To  
2465 qualify for a subtraction under this subdivision, the investment shall be made on or after January 1, 2018, but  
2466 before December 31, 2023. No subtraction shall be allowed under this subdivision for an investment in a  
2467 company that is owned or operated by an affiliate of the taxpayer. No subtraction shall be allowed under this  
2468 subdivision for a taxpayer who has claimed a subtraction under subdivision C 24 for the same investment.  
2469 b. As used in this subdivision 25:  
2470 "Qualified portfolio company" means a company that (i) has its principal place of business in the  
2471 Commonwealth; (ii) has a primary purpose of production, sale, research, or development of a product or  
2472 service other than the management or investment of capital; and (iii) provides equity in the company to the  
2473 Virginia venture capital account in exchange for a capital investment. "Qualified portfolio company" does not  
2474 include a company that is an individual or sole proprietorship.  
2475 "Virginia venture capital account" means an investment fund that has been certified by the Department as

2476 a Virginia venture capital account. In order to be certified as a Virginia venture capital account, the operator  
 2477 of the investment fund shall register the investment fund with the Department prior to December 31, 2023, (i)  
 2478 indicating that it intends to invest at least 50 percent of the capital committed to its fund in qualified portfolio  
 2479 companies and (ii) providing documentation that it employs at least one investor who has at least four years  
 2480 of professional experience in venture capital investment or substantially equivalent experience. "Substantially  
 2481 equivalent experience" includes, but is not limited to, an undergraduate degree from an accredited college or  
 2482 university in economics, finance, or a similar field of study. The Department may require an investment fund  
 2483 to provide documentation of the investor's training, education, or experience as deemed necessary by the  
 2484 Department to determine substantial equivalency. If the Department determines that the investment fund  
 2485 employs at least one investor with the experience set forth herein, the Department shall certify the investment fund  
 2486 as a Virginia venture capital account at such time as the investment fund actually invests at least 50  
 2487 percent of the capital committed to its fund in qualified portfolio companies.

2488 26. a. Income attributable to an investment in a Virginia real estate investment trust. To qualify for a  
 2489 subtraction under this subdivision, the investment shall be made on or after January 1, 2019, but before  
 2490 December 31, 2024. No subtraction shall be allowed for an investment in a trust that is managed by an  
 2491 affiliate of the taxpayer. No subtraction shall be allowed under this subdivision for a taxpayer who has  
 2492 claimed a subtraction under subdivision C 24 or 25 for the same investment.

2493 b. As used in this subdivision 26:

2494 "Distressed" means satisfying the criteria applicable to a locality described in subdivision E 2 of  
 2495 § 2.2-115.

2496 "Double distressed" means satisfying the criteria applicable to a locality described in subdivision E 3 of  
 2497 § 2.2-115.

2498 "Virginia real estate investment trust" means a real estate investment trust, as defined in 26 U.S.C. § 856,  
 2499 that has been certified by the Department as a Virginia real estate investment trust. In order to be certified as  
 2500 a Virginia real estate investment trust, the trustee shall register the trust with the Department prior to  
 2501 December 31, 2024, indicating that it intends to invest at least 90 percent of trust funds in Virginia and at  
 2502 least 40 percent of trust funds in real estate in localities that are distressed or double distressed. If the  
 2503 Department determines that the trust satisfies the preceding criteria, the Department shall certify the trust as a  
 2504 Virginia real estate investment trust at such time as the trust actually invests at least 90 percent of trust funds  
 2505 in Virginia and at least 40 percent of trust funds in real estate in localities that are distressed or double  
 2506 distressed.

2507 27. For taxable years beginning on and after January 1, 2019, any gain recognized from the taking of real  
 2508 property by condemnation proceedings.

2509 28. For taxable years beginning before January 1, 2021, up to \$100,000 of all grant funds received by the  
 2510 taxpayer under the Rebuild Virginia program established by the Governor and administered by the  
 2511 Department of Small Business and Supplier Diversity.

2512 D. For taxable years beginning on and after January 1, 2006, there shall be subtracted from federal taxable  
 2513 income contract payments to a producer of quota tobacco or a tobacco quota holder as provided under the  
 2514 American Jobs Creation Act of 2004 (P.L. 108-357) as follows:

2515 1. If the payment is received in installment payments, then the recognized gain, including any gain  
 2516 recognized in taxable year 2005, may be subtracted in the taxable year immediately following the year in  
 2517 which the installment payment is received.

2518 2. If the payment is received in a single payment, then 10 percent of the recognized gain may be  
 2519 subtracted in the taxable year immediately following the year in which the single payment is received. The  
 2520 taxpayer may then deduct an equal amount in each of the nine succeeding taxable years.

2521 E. Adjustments to federal taxable income shall be made to reflect the transitional modifications provided  
 2522 in § 58.1-315.

2523 F. Notwithstanding any other provision of law, the income from any disposition of real property which is  
 2524 held by the taxpayer for sale to customers in the ordinary course of the taxpayer's trade or business, as  
 2525 defined in § 453(l)(1)(B) of the Internal Revenue Code, of property made on or after January 1, 2009, may, at  
 2526 the election of the taxpayer, be recognized under the installment method described under § 453 of the Internal  
 2527 Revenue Code, provided that (i) the election relating to the dealer disposition of the property has been made  
 2528 on or before the due date prescribed by law (including extensions) for filing the taxpayer's return of the tax  
 2529 imposed under this chapter for the taxable year in which the disposition occurs, and (ii) the dealer disposition  
 2530 is in accordance with restrictions or conditions established by the Department, which shall be set forth in  
 2531 guidelines developed by the Department. Along with such restrictions or conditions, the guidelines shall also  
 2532 address the recapture of such income under certain circumstances. The development of the guidelines shall be  
 2533 exempt from the Administrative Process Act (§ 2.2-4000 et seq.).

2534 G. There shall be deducted to the extent included in and not otherwise subtracted from federal taxable  
 2535 income a percentage of the business interest disallowed as a deduction pursuant to § 163(j) of the Internal  
 2536 Revenue Code in the amount of:

2537 1. 20 percent for taxable years beginning on and after January 1, 2018, but before January 1, 2022;

2538 2. 30 percent for taxable years beginning on and after January 1, 2022, but before January 1, 2024; and  
2539 3. 50 percent for taxable years beginning on and after January 1, 2024.  
2540 For purposes of subsection G, "business interest" means the same as that term is defined under § 163(j) of  
2541 the Internal Revenue Code.  
2542 H. For taxable years beginning before January 1, 2021, there shall be deducted to the extent not otherwise  
2543 subtracted from federal taxable income up to \$100,000 of the amount that is not deductible when computing  
2544 federal taxable income solely on account of the portion of subdivision B 10 of § 58.1-301 related to Paycheck  
2545 Protection Program loans.  
2546 I. For taxable years beginning on and after January 1, 2026, there shall be deducted the amount paid or  
2547 cost incurred for installing a qualifying upgrade required to interconnect a triggering project. No deduction  
2548 shall be allowed under this section for a taxpayer who has claimed a deduction under subdivision 19 of  
2549 § 58.1-322.03 for the same amount paid or cost incurred to install such qualifying upgrade.  
2550 For purposes of this subsection, "qualifying upgrade" and "triggering project" have the same meanings as  
2551 provided for those terms in § 56-596.5.  
2552 *J. For taxable years beginning on and after January 1, 2026, there shall be deducted to the extent not  
2553 otherwise subtracted from federal taxable income the amount donated to the Virginia College Opportunity  
2554 Fund established in § 23.1-701.*