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HOUSE BILL NO. 1008

Offered January 14, 2026

A BILL to amend and reenact § 58.1-611 of the Code of Virginia, relating to retail sales and use tax; credit for taxes paid in another state.

Patrons—Tran, Carroll and Cousins

Referred to Committee on Finance

Be it enacted by the General Assembly of Virginia:

1. That § 58.1-611 of the Code of Virginia is amended and reenacted as follows:

§ 58.1-611. Credit for taxes paid in another state.

A credit shall be granted against the taxes imposed by this chapter with respect to a person's use in this Commonwealth of tangible personal property purchased by him in another state. The amount of the credit shall be equal to *(i)* the tax paid by him to another state ~~or political subdivision thereof~~ by reason of the imposition of a similar tax on his purchase or use of the property *or (ii) the amount of any credit received by him from another state within the past 12 months while a resident of such state due to an exemption from the imposition of a similar tax on his purchase or use of an electric vehicle. For purposes of this section, "electric vehicle" means a motor vehicle that derives all of the vehicle's power from electricity stored in a battery that (a) has a capacity of not less than 25 kilowatt-hours; (b) is capable of powering the vehicle for a range of at least 100 miles; and (c) is capable of being recharged from an external source of electricity*. The amount of the credit shall not exceed the tax imposed by this chapter.