




# COMMONWEALTH of VIRGINIA

*Department of Taxation*

## MEMORANDUM

TO: The Honorable Lacey E. Putney  
The Honorable Harry R. Purkey  
The Honorable Charles J. Colgan, Sr.

FROM: Janie E. Bowen  
Tax Commissioner 

DATE: December 29, 2009

SUBJECT: 2010 Report on Major Business Facility Job Tax Credit

The provisions of the second enactment clause of Chapter 874, 1996 Acts of Assembly, require that each January 1, the Tax Commissioner submit a report on companies which have qualified for the major business facility job tax credit and the amount of such credits. Based on tax return information available as of December 2009, a total of \$493,642 in the major business credit was claimed during the year by 64 taxpayers.

To calculate the major business facility job tax credit, a company multiplies the number of full-time employees, above the threshold, at a new or expanded major business facility by \$1,000. (The threshold amount is 100 employees, except in economically distressed areas and enterprise zones where it is 50; in severely economically distressed areas, the threshold amount is 25.) The credit is claimed at the rate of one-third annually, and may not exceed the taxpayer's liability. Unused credits can be carried forward for ten years.

c: The Honorable Richard D. Brown  
Ms. Betsey Daley  
Mr. John A. Garka  
Mr. Mark Haskins

