



# ***COMMONWEALTH of VIRGINIA***

## ***Department of Taxation***

January 10, 2012

The Honorable Charles J. Colgan  
Chairman, Senate Finance Committee  
10660 Aviation Lane  
Manassas, Virginia 20110

The Honorable Harry R. Purkey  
Chairman, House Finance Committee  
2352 Leeward Shore Drive  
Virginia Beach, Virginia 23451

Re: Voluntary Contributions – Amounts Collected for Three Previous Years

Dear Chairmen:

Pursuant to *Va. Code* § 58.1-344.3, the Department of Taxation (“the Department”) is required to report to the Chairmen of the Senate and House Finance Committees the amounts collected for each voluntary contribution for the three most recent taxable years for which there is complete data. This report is also required to list which entities, if any, will be removed from the Virginia individual income tax return because they have failed to meet the \$10,000 per year minimum contribution requirement. Finally, the report must list which entities, if any, will be added to the income tax return in order to bring the total number of voluntary contributions to 25.

### 2011 Returns

No organizations were removed from the list of voluntary contributions on the 2011 individual income tax return because all organizations met the \$10,000 per year minimum contribution threshold for the three taxable years 2008-2010 (the latest years for which data was available when 2011 returns were printed). Since no organizations were removed from the list of voluntary contributions on the 2011 return, no organizations were added to the list.

The Honorable Charles J. Colgan  
The Honorable Harry R. Purkey  
January 10, 2012  
Page 2

### 2012 Returns


At this time, no organizations are scheduled to be removed from the list of voluntary contributions on the 2012 individual income tax return. The data indicates that the current organizations have all met the \$10,000 per year minimum contribution threshold for the taxable years 2009-2011.

The following organizations are awaiting space on the return:

- Medicare Part D Counseling Fund
- Community foundations
- Virginia Foundation for Community College Education
- Middle Peninsula Chesapeake Bay Public Access Authority
- Breast and Cervical Cancer Prevention and Treatment Fund
- Virginia Aquarium and Marine Science Center
- Virginia Capitol Preservation Foundation
- Office of the Secretary of Veterans Affairs and Homeland Security

The enclosed document presents the report for 2011. Please let me know if you have any questions.

Sincerely,



Craig M. Burns  
Tax Commissioner

CMB/klc

Enclosure

CC: The Honorable Richard D. Brown

## Voluntary Contributions: Amounts Collected for 2008-2010

### Introduction

In 2004, the General Assembly enacted House Bill 1486, which limited the number of organizations qualifying for voluntary contributions to 25, and required that organizations receive at least \$10,000 in voluntary contributions annually for at least three consecutive years in order to continue to be included on the individual income tax return.

In 2005, the General Assembly clarified this requirement by passing House Bill 2303. This bill created a new process for limiting the voluntary contributions listed on the Virginia individual income tax return. As required by the 2004 legislation, the number of contributions is limited to 25, and all entities eligible to receive voluntary contributions must receive at least \$10,000 in each of the three previous taxable years for which there is complete data and for which the entity is listed on the individual income tax return. In addition, each new entity is required to be listed on the individual income tax return for three consecutive taxable years before the \$10,000 requirement is applied to it.

At the time that these changes were made, a survey of the other states that impose a broad-based income tax on individuals showed that Virginia, with 27 voluntary contributions, had by far the most voluntary contributions. The average number of voluntary contributions per state at that time was six.

### Changes to the 2011 Income Tax Return

No organizations were removed from the list of voluntary contributions on the 2011 individual income tax return because all organizations met the \$10,000 per year minimum contribution threshold for the three taxable years 2008-2010 (the latest years for which data was available when 2011 returns were printed). Since no organizations were removed from the list of voluntary contributions on the 2011 return, no organizations were added to the list.

In 2011, the Office of the Secretary of Veterans Affairs and Homeland Security was added to the waiting list. The Medicare Part D Counseling Fund, community foundations, the Virginia Foundation for Community College Education, the Middle Peninsula Chesapeake Bay Public Access Authority, the Breast and Cervical Cancer Prevention and Treatment Fund, the Virginia Aquarium and Marine Science Center, and the Virginia Capitol Preservation Foundation will remain on the waiting list.

## Amounts Collected for Each Voluntary Contribution

The chart below provides each voluntary contribution that will be listed on the 2011 Virginia individual income tax return and the amount contributed to each in the three previous taxable years.

<b>Amount Collected for Voluntary Contributions: 2008-2010</b>							
Program/Fund	First Return	2008 Return		2009 Return		2010 Return	
		Number	Amount	Number	Amount	Number	Amount
1. Virginia Nongame Wildlife Program	1981	6,189	\$153,436	5,171	\$133,674	4,910	\$131,768
2. Virginia Open Space Recreation and Conservation Fund	1988	2,991	\$67,463	2,659	\$61,578	2,010	\$49,012
3. Combined Political Party Contributions	1982	3,839	\$81,063	3,099	\$64,275	2,736	\$56,392
4. United States Olympic Committee	1988	1,452	\$29,214	1,388	\$29,261	1,075	\$24,572
5. Virginia Housing Program	1997	2,384	\$55,430	2,087	\$51,771	1,800	\$48,020
6. Virginia Family and Children's Trust Fund	1998	1,535	\$36,312	1,690	\$36,201	1,191	\$26,692
7. Virginia Elderly and Disabled Transportation Fund	1997	4,027	\$94,522	3,449	\$84,214	3,267	\$83,103
8. Community Policing Fund	1994	1,161	\$22,029	1,010	\$17,934	769	\$13,160
9. Virginia Arts Foundation	1997	1,899	\$38,295	1,886	\$37,576	1,443	\$31,595
10. Chesapeake Bay Restoration	1997	5,262	\$131,822	5,108	\$127,431	4,088	\$104,817
11. Historic Resources Fund	1998	1,254	\$23,149	1,154	\$22,557	833	\$15,806
12. State Forests Systems Fund	1999	1,963	\$37,624	2,187	\$42,923	1,641	\$33,499
13. Uninsured Medical Catastrophe Fund	1999	1,244	\$25,828	1,382	\$28,757	972	\$28,616
14. Children of America Finding Hope	2001	1,163	\$23,417	923	\$20,586	890	\$21,747
15. Public School Foundations	2002	1,775	\$56,392	1,740	\$57,752	1,501	\$55,949
16. Home Energy Assistance	2003	1,977	\$41,655	1,821	\$36,654	1,456	\$33,306
17. War Memorial & National D-Day Memorial	2003	912	\$18,056	936	\$18,122	767	\$16,981
18. Virginia Federation of Humane Societies	2004	1,781	\$40,421	1,665	\$37,198	1,546	\$37,415
19. Tuition Assistance Grant Fund	2004	1,078	\$19,088	986	\$20,247	875	\$18,252
20. Spay and Neuter Fund	2004	2,954	\$63,567	2,279	\$50,344	2,198	\$51,946
21. Cancer Centers	2006	2,101	\$49,961	1,989	\$46,333	1,710	\$41,868
22. Martin Luther King, Jr. Living History and Public Policy Center Fund	2007	1,010	\$18,619	727	\$15,655	561	\$10,621
23. Virginia Military Family Relief Fund	2008	2,229	\$55,330	2,800	\$74,412	2,056	\$57,644
24. Public libraries foundations	2009			1,419	\$48,562	1,127	\$37,526
25. Celebrating Special Children, Inc.	2009			942	\$15,554	828	\$15,974
<b>Total</b>		<b>52,180</b>	<b>\$1,182,693</b>	<b>50,497</b>	<b>\$1,179,573</b>	<b>42,250</b>	<b>\$1,046,281</b>

## Changes to the 2012 Income Tax Return

At this time, no organizations are scheduled to be removed from the list of voluntary contributions on the 2012 individual income tax return. The data indicates that the current organizations have all met the \$10,000 per year minimum contribution threshold for the taxable years 2008-2010. If any organizations fail to meet that threshold on the 2011 return and all other requirements are met, however, such organizations would be removed from the 2013 income tax return. As this report is submitted, the filing season for 2011 returns is about to begin, but data from these returns will not be available when 2012 returns are printed.

### Summary of Voluntary Contributions

Set out in the table below is a summary of all of the voluntary contributions that have been removed from or added to the individual income tax return since the adoption of House Bill 2303 in 2005 (codified at *Va. Code* § 58.1-344.3).

<b>Summary of Voluntary Contributions</b>			
<b>2005: Changes Reflected on Income Tax Returns for 2005</b>			
Program / Fund	Enacted	Action	Comments
University of Virginia Center for Government Studies	1999 ch. 948	<ul style="list-style-type: none"> <li>• Removed from 2005 return</li> <li>• First appeared on 1999 return</li> </ul>	<ul style="list-style-type: none"> <li>• § 58.1-344.3 B 11</li> <li>• Failed to receive \$10,000 in 2001, 2002 &amp; 2003</li> <li>• Expired with 2004 return</li> </ul>
George Mason Law and Economics Center	1999 ch. 948	<ul style="list-style-type: none"> <li>• Removed from 2005 return</li> <li>• First appeared on 1999 return</li> </ul>	<ul style="list-style-type: none"> <li>• § 58.1-344.3 B 12</li> <li>• Failed to receive \$10,000 in 2001, 2002 &amp; 2003</li> <li>• Expired with 2004 return</li> </ul>
Virginia Foundation for the Humanities and Public Policy Fund	1999 ch. 948	<ul style="list-style-type: none"> <li>• Removed from 2005 return</li> <li>• First appeared on 1999 return</li> </ul>	<ul style="list-style-type: none"> <li>• § 58.1-344.3 B 10</li> <li>• Failed to receive \$10,000 in 2001, 2002 &amp; 2003</li> <li>• Expired with 2004 return</li> </ul>
Office of Commonwealth Preparedness	2004 ch. 649	<ul style="list-style-type: none"> <li>• Added to 2005 return</li> </ul>	<ul style="list-style-type: none"> <li>• § 58.1-344.3 B 21</li> </ul>
<b>2006: Changes Reflected on Income Tax Returns for 2006</b>			
Program / Fund	Enacted	Action	Comments
4-H Educational Centers (4H Camp)	2001 ch. 535	<ul style="list-style-type: none"> <li>• Removed from 2006 return</li> <li>• First appeared on 2002 return</li> </ul>	<ul style="list-style-type: none"> <li>• § 58.1-344.3 B 14</li> <li>• Failed to receive \$10,000 in 2002, 2003 &amp; 2004</li> </ul>
Virginia Transplant Council	2001 ch. 560	<ul style="list-style-type: none"> <li>• Removed from 2006 return</li> <li>• First appeared on 2002 return</li> </ul>	<ul style="list-style-type: none"> <li>• § 58.1-344.3 B 15</li> <li>• Failed to receive \$10,000 in 2002, 2003 &amp; 2004</li> </ul>
Cancer Centers	2004 ch. 649	<ul style="list-style-type: none"> <li>• Added to 2006 return</li> </ul>	<ul style="list-style-type: none"> <li>• § 58.1-344.3 B 22</li> </ul>
Brown v. Board of Education Scholarship Program Fund	2005 ch. 860, 889	<ul style="list-style-type: none"> <li>• Added to 2006 return</li> </ul>	<ul style="list-style-type: none"> <li>• § 58.1-344.3 B 23</li> </ul>

### Summary of Voluntary Contributions

#### 2007: Changes Reflected on Income Tax Returns for 2007

Program / Fund	Enacted	Action	Comments
Commission for the Arts	2003 ch. 878	<ul style="list-style-type: none"> <li>Removed from 2007 return</li> <li>First appeared on 2004 return</li> </ul>	<ul style="list-style-type: none"> <li>§ 58.1-344.3 B 20</li> <li>Failed to receive \$10,000 in 2004</li> <li>Commission also receives contributions via checkoff for Virginia Arts Foundation</li> </ul>
Martin Luther King, Jr. Living History and Public Policy Center Fund	2005 ch. 860, 889	<ul style="list-style-type: none"> <li>Added to 2007 return</li> </ul>	<ul style="list-style-type: none"> <li>§ 58.1-344.3 B 24</li> </ul>

#### 2008: Changes Reflected on Income Tax Returns for 2008

Program / Fund	Enacted	Action	Comments
Office of Commonwealth Preparedness	2004 ch. 649	<ul style="list-style-type: none"> <li>Removed from 2008 return</li> <li>First appeared on 2005 return</li> </ul>	<ul style="list-style-type: none"> <li>§ 58.1-344.3 B 21</li> <li>Failed to receive \$10,000 in 2005 and 2006</li> </ul>
Jamestown-Yorktown Foundation	1999 ch. 210	<ul style="list-style-type: none"> <li>Removed from 2008 return</li> <li>First appeared on 2000 return</li> </ul>	<ul style="list-style-type: none"> <li>§ 58.1-344.3 C 3</li> <li>Authorized for taxable years beginning before January 1, 2008</li> </ul>
Virginia Caregivers Grant Fund	2005 ch. 860, 889	<ul style="list-style-type: none"> <li>Added to 2008 return</li> </ul>	<ul style="list-style-type: none"> <li>§ 58.1-344.3 B 25</li> </ul>
Virginia Military Family Relief Fund	2006 ch. 103, 479	<ul style="list-style-type: none"> <li>Added to 2008 return</li> </ul>	<ul style="list-style-type: none"> <li>§ 58.1-344.3 C 8</li> </ul>

#### 2009: Changes Reflected on Income Tax Returns for 2009

Program / Fund	Enacted	Action	Comments
Brown v. Board of Education Scholarship Program Fund	2005 ch. 860, 889	<ul style="list-style-type: none"> <li>Removed from 2009 return</li> <li>First appeared on 2006 return</li> </ul>	<ul style="list-style-type: none"> <li>§ 58.1-344.3 B 23</li> <li>Failed to receive \$10,000 in 2006, 2007 and 2008</li> </ul>
Virginia Caregivers Grant Fund	2005 ch. 860, 889	<ul style="list-style-type: none"> <li>Removed from 2009 return</li> <li>First appeared on 2008 return</li> </ul>	<ul style="list-style-type: none"> <li>§ 58.1-344.3 B 25</li> <li>Program not funded in FY 2009</li> <li>Removed at suggestion by DSS</li> </ul>
Public library foundations	2007 ch. 70	<ul style="list-style-type: none"> <li>Added to 2009 return</li> </ul>	<ul style="list-style-type: none"> <li>§ 58.1-344.3 B 26</li> </ul>
Celebrating Special Children, Inc.	2007 ch. 70	<ul style="list-style-type: none"> <li>Added to 2009 return</li> </ul>	<ul style="list-style-type: none"> <li>§ 58.1-344.3 B 27</li> </ul>

**2010: No Changes Made to Income Tax Returns for 2010**

**2011: No Changes Made to Income Tax Returns for 2011**

**2012: No Changes Are Scheduled to Be Made to Income Tax Returns for 2012**