



COMMONWEALTH of VIRGINIA

Department of Taxation

January 8, 2014

The Honorable Walter A. Stosch
Chairman, Senate Finance Committee
General Assembly Building, Room 626
Capitol Square
Richmond, Virginia 23219

The Honorable R. Lee Ware, Jr.
Chairman, House Finance Committee
General Assembly Building, Room 421
Capitol Square
Richmond, Virginia 23219

Dear Chairman Stosch and Chairman Ware:

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.

2013 Returns

No organizations were removed from the list of voluntary contributions on the 2013 individual income tax return because all organizations met the \$10,000 per year minimum contribution threshold for Taxable Years 2010, 2011, and 2012 (the latest years for which data was available when 2013 returns were printed). Since no organizations were removed from the list of voluntary contributions on the 2013 return, no organizations were added to the list.

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2014 Returns

At this time, no organizations are scheduled to be removed from the list of voluntary contributions on the 2014 individual income tax return. The data indicates that the current organizations have all met the \$10,000 per year minimum contribution threshold for Taxable Years 2010, 2011, and 2012.

The following organizations, in order, 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 2013. Please contact me if you have any questions.

Sincerely,



Craig M. Burns
Tax Commissioner

CMB/mjm

Enclosure

CC: The Honorable Richard D. Brown, Secretary of Finance

Voluntary Contributions: Amounts Collected for 2010-2012

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 2013 Income Tax Return

No organizations were removed from the list of voluntary contributions on the 2013 individual income tax return because all organizations met the \$10,000 per year minimum contribution threshold for Taxable Years 2010, 2011, and 2012 (the latest years for which data was available when 2013 returns were printed). Since no organizations were removed from the list of voluntary contributions on the 2013 return, no organizations were added to the 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, the Virginia Capitol Preservation Foundation, and the Office of the Secretary of Veterans Affairs and Homeland Security 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 2013 Virginia individual income tax return and the amount contributed to each in the three previous taxable years.

Amount Collected for Voluntary Contributions: 2010-2012							
Program/Fund	First Return	2010 Return		2011 Return		2012 Return	
		Number	Amount	Number	Amount	Number	Amount
1. Virginia Nongame Wildlife Program	1981	4,910	\$131,768	4,588	\$121,132	4,117	\$100,738
2. Virginia Open Space Recreation and Conservation Fund	1988	2,010	\$49,012	2,102	\$48,941	1,892	\$44,758
3. Combined Political Party Contributions	1982	2,736	\$56,392	2,946	\$60,238	2,498	\$51,494
4. United States Olympic Committee	1988	1,075	\$24,572	1,079	\$22,627	916	\$23,174
5. Virginia Housing Program	1997	1,800	\$48,020	1,725	\$43,064	1,616	\$41,438
6. Virginia Family and Children's Trust Fund	1998	1,191	\$26,692	1,094	\$25,379	1,033	\$32,726
7. Virginia Elderly and Disabled Transportation Fund	1997	3,267	\$83,103	3,106	\$75,699	2,879	\$69,214
8. Community Policing Fund	1994	769	\$13,160	687	\$11,992	635	\$10,049
9. Virginia Arts Foundation	1997	1,443	\$31,595	1,603	\$32,756	1,409	\$27,983
10. Chesapeake Bay Restoration	1997	4,088	\$104,817	3,847	\$103,062	3,448	\$89,292
11. Historic Resources Fund	1998	833	\$15,806	916	\$18,298	902	\$17,664
12. State Forests Systems Fund	1999	1,641	\$33,499	1,425	\$29,954	1,386	\$27,470
13. Uninsured Medical Catastrophe Fund	1999	972	\$28,616	904	\$19,567	812	\$15,609
14. Children of America Finding Hope	2001	890	\$21,747	807	\$16,656	808	\$18,962
15. Public School Foundations	2002	1,501	\$55,949	1,228	\$40,534	1,036	\$36,374
16. Home Energy Assistance	2003	1,456	\$33,306	1,317	\$27,474	1,210	\$25,332
17. War Memorial & National D-Day Memorial	2003	767	\$16,981	719	\$15,699	747	\$14,852
18. Virginia Federation of Humane Societies	2004	1,546	\$37,415	1,425	\$31,200	1,296	\$28,219
19. Tuition Assistance Grant Fund	2004	875	\$18,252	840	\$15,869	804	\$15,710
20. Spay and Neuter Fund	2004	2,198	\$51,946	2,115	\$46,750	1,903	\$42,772
21. Cancer Centers	2006	1,710	\$41,868	1,527	\$38,051	1,381	\$33,187
22. Martin Luther King, Jr. Living History and Public Policy Center Fund	2007	561	\$10,621	686	\$12,494	626	\$10,454
23. Virginia Military Family Relief Fund	2008	2,056	\$57,644	2,046	\$52,417	1,922	\$49,426
24. Public libraries foundations	2009	1,127	\$37,526	1,054	\$31,962	1,007	\$28,390
25. Celebrating Special Children, Inc.	2009	828	\$15,974	1,050	\$18,035	964	\$17,398
Total		42,250	\$1,046,281	40,836	\$959,849	37,247	\$872,682

Changes to the 2014 Income Tax Return

At this time, no organizations are scheduled to be removed from the list of voluntary contributions on the 2014 individual income tax return. The data indicates that the current organizations have all met the \$10,000 per year minimum contribution threshold for Taxable Years 2010, 2011, and 2012. If any organizations fail to meet that threshold on the 2013 return and all other requirements are met, however, such organizations would be removed from the 2015 income tax return. As this report is submitted, the filing season for 2013 returns is about to begin, but data from these returns will not be available when 2014 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).

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

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

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

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

2010: No Changes Made to Income Tax Returns for 2010

2011: No Changes Made to Income Tax Returns for 2011

2012: No Changes Made to Income Tax Returns for 2012

2013: No Changes Made to Income Tax Returns for 2013

2014: No Changes Are Scheduled to Be Made to Income Tax Returns for 2014