



# COMMONWEALTH of VIRGINIA

## Department of Taxation

February 3, 2020

To: The Honorable Janet D. Howell  
Chairman, Senate Finance and Appropriations Committee

The Honorable Luke E Torian  
Chairman, House Appropriations Committee

The Honorable Vivian E. Watts  
Chairman, House Finance Committee

*Virginia Code* § 58.1-319 requires that any tax credit in Title 58.1 of the *Code of Virginia* that has not been claimed by any taxpayer during the preceding five calendar years be deemed obsolete. The Department of Taxation ("the Department") is required to report all tax credits that are deemed obsolete to the House Committee on Appropriations, House Committee on Finance, and Senate Committee on Finance and Appropriations.

In the 2013 Obsolete Tax Credits Report, the Day-Care Facility Investment Tax Credit and the Tax Credit for Certain Employers Hiring Recipients of Temporary Assistance for Needy Families ("TANF") were both deemed obsolete as required by *Va. Code* § 58.1-319, and no taxpayers may claim such tax credits in taxable years beginning on and after January 1, 2014 without the expressed authorization of the General Assembly. In the 2014 through 2018 Obsolete Tax Credits Reports, no tax credits were deemed obsolete.

Based on the Department's tax credit reports, all of Virginia's existing tax credits in Title 58.1 of the *Code of Virginia* have been claimed within the past five calendar years. Therefore, the Department in this report has determined that no additional tax credits are obsolete.

Please contact me if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Craig M. Burns".

Craig M. Burns  
Tax Commissioner

Enclosure: Table of Fiscal Year Individual and Corporate Income Tax Credits

c: The Honorable Aubrey L. Layne Jr, Secretary of Finance

**Fiscal Year Individual and Corporate Income Tax Credits in Title 58.1**  
 Number of Returns Processed During Fiscal Years 2015-2019

Code Section(s)	Credit	Year Enacted	Credit Claimed Against	2015	2016	2017	2018	2019
<b>More than 10 years old:</b>								
§ 58.1-439.18 et seq.	Neighborhood Assistance Act Credit	1981 (effective July 1, 1981)	Individual, Corporate, Insurance and Bank	4,393	4,853	4,462	4,330	4,210
§§ 58.1-334 & 58.1-432	Conservation Tillage Equipment Credit	1985 (effective 1985)	Individual and Corporate	255	205	141	136	131
§ 58.1-435	Low-Income Housing Credit	1989 (effective 1990)	Individual, Corporate, Insurance and Bank	*	*	*	0	*
§§ 58.1-337 & 58.1-436	Advanced Technology Pesticide and Fertilizer Application Equipment Credit	1990 (effective 1990)	Individual and Corporate	99	111	90	84	78
§ 58.1-438.1	Tax Credit for Vehicle Emissions Testing Equipment and Clean-Fuel Vehicles and Certain Refueling Property	1993 (effective 1993)	Individual and Corporate	41	60	32	55	43
§ 58.1-439	Major Business Facility Job Tax Credit	1994 (effective 1995)	Individual, Corporate, Insurance and Bank	74	22	17	11	9
§ 58.1-439.2	Coalfield Employment Enhancement Tax Credit (Refundable)	1995 (effective 1996)	Individual and Corporate	49	34	25	23	16
§ 58.1-439.1	Clean Fuel Vehicle and Advanced Cellulosic Biofuels Job Creation Tax Credit	1995 (effective 1996)	Individual and Corporate	191	199	106	89	113
§ 58.1-339.2	Historic Rehabilitation Tax Credit	1996 (effective 1997)	Individual, Corporate, Insurance and Bank	1,038	1,095	899	729	611
§ 58.1-439.4	Day-Care Facility Investment Credit	1996 (effective 1997)	Individual and Corporate	0	0	0	0	0
§§ 58.1-339.3 & 58.1-439.5	Agricultural Best Management Practices Tax Credit	1996 (effective 1998)	Individual and Corporate	471	412	306	228	364
§ 58.1-439.6	Worker Retraining Tax Credit	1997 (effective 1999)	Individual, Corporate, Insurance and Bank	6	11	*	*	0
§ 58.1-439.7	Recyclable Materials Processing Equipment Credit	1998 (effective 1999)	Individual and Corporate	91	159	72	84	110
§ 58.1-332.1	Foreign Tax Credit	1998 (effective 1998)	Individual Only	1,689	1,543	316	218	321
§ 58.1-339.4	Qualified Equity and Subordinated Debt Investments Tax Credit	1998 (effective 1999)	Individual Only	241	218	247	257	272
§ 58.1-439.10	Waste Motor Oil Burning Equipment Credit	1998 (effective 1999)	Individual and Corporate	62	77	46	49	42
§ 58.1-439.9	Tax Credit for Certain Employers Hiring Recipients of Temporary Assistance to Needy Families (TANF)	1998 (effective 1999)	Individual and Corporate	0	0	0	0	0
§ 58.1-512	Land Preservation Tax Credit	1999 (effective 2000)	Individual and Corporate	3,842	3,458	3,371	3,408	4,762
§ 58.1-339.6	Political Candidates Contribution Tax Credit	1999 (effective 2000)	Individual Only	17,357	22,022	22,616	2,879	467
§ 58.1-339.7	Livable Home Tax Credit	1999 (effective 2000)	Individual and Corporate	284	310	269	264	328
§ 58.1-433.1	Virginia Coal Employment and Production Incentive Tax Credit	1999 (effective 2001)	Corporate Only	7	*	6	*	5
§ 58.1-339.8	Low-Income Taxpayer Credit	2000 (effective 2000)	Individual Only	364,370	367,612	355,880	346,935	346,817
§§ 58.1-339.10 & 58.1-439.12	Riparian Forest Buffer Protection for Waterways Tax Credit	2000 (effective 2000)	Individual and Corporate	98	111	110	92	134
§ 58.1-339.9	Rent Reductions Tax Credit	2000 (effective 2000)	Individual and Corporate	0	0	0	0	0
§ 58.1-339.11	Long-term Care Insurance Tax Credit	2006 (effective 2006)	Individual Only	4,081	1,507	717	567	569
§ 58.1-439.12:02	Biodiesel and Green Diesel Fuels Producers Tax Credit	2008 (effective 2008)	Individual and Corporate	0	*	*	*	0
<b>Less than 10 years old:</b>								
§ 58.1-439.12:05	Green Job Creation Tax Credit	2010 (effective 2010)	Individual and Corporate	*	6	8	29	9
§ 58.1-439.12:04	Tax Credit for Participating Landlords (Community of Opportunity)	2010 (effective 2010)	Individual and Corporate	20	11	12	8	0
§ 58.1-339.12	Farm Wineries and Vineyards Tax Credit	2011 (effective 2011)	Individual and Corporate	63	55	56	50	51
§ 58.1-439.12:03	Motion Picture Production Tax Credit (refundable)	2011 (effective 2011)	Individual and Corporate	4	*	*	*	0
§ 58.1-439.12:06	International Trade Facility Tax Credit	2011 (effective 2011)	Individual and Corporate	13	66	9	9	7
§ 58.1-439.12:08	Research and Development Expenses Tax Credit (refundable)	2011 (effective 2011)	Individual and Corporate	317	400	293	365	446
§ 58.1-439.12:09	Barge and Rail Usage Tax Credit	2011 (effective 2011)	Individual, Corporate, Insurance and Bank	*	5	0	*	*
§ 58.1-439.12:10	Virginia Port Volume Increase Tax Credit	2011 (effective 2011)	Individual and Corporate	34	24	22	25	24
§ 58.1-439.12:07	Telework Expenses Tax Credit	2011 (effective 2012)	Individual and Corporate	10	9	7	13	4
§ 58.1-439.26	Education Improvement Scholarships Tax Credits	2012 (effective 2013)	Individual, Corporate, Insurance and Bank	347	739	948	1,107	1,399
§ 58.1-439.12:11	Major Research and Development Expenses Tax Credit	2016 (effective 2017)	Individual and Corporate	n.a.	n.a.	n.a.	23	24
§ 58.1-439.12:12	Food Crop Donation Tax Credit	2016 (effective 2017)	Individual and Corporate	n.a.	n.a.	n.a.	*	0

**Notes:**

1. Number of returns and amounts are for income tax returns processed during the fiscal year, regardless of taxable year. For most credits, returns for multiple taxable years were processed during the fiscal year. The total for each return may include carryovers from prior years.
2. If a return was amended or audited during the fiscal year, only the additional credit amount (or reduction) is included.
3. The amount shown for the Coalfields Employment Enhancement Tax credit includes the amount refunded to taxpayers, as well as that deposited with the Coalfields Economic Development Authority.
4. A refundable tax credit is one which is not limited by the amount of the taxpayer's tax liability.
5. Some credits may be claimed against taxes in addition to income taxes; amounts in table are for only individual and corporate income tax.

\* Data for this credit is not available for release because fewer than four returns claiming the credit have been processed in during the fiscal year.

Fiscal Year Individual and Corporate Income Tax Credits in Title 58.1  
Amount of Credits Claimed on Returns Processed During Fiscal Years 2015-2019

Code Section(s)	Credit	Year Enacted	Credit Claimed Against	2015	2016	2017	2018	2019
<b>More than 10 years old:</b>								
§ 58.1-439.18 et seq.	Neighborhood Assistance Act Credit	1981 (effective July 1, 1981)	Individual, Corporate, Insurance and Bank	\$ 14,512,830	\$ 15,582,465	\$ 14,374,525	\$ 13,660,342	\$ 15,025,343
§§ 58.1-334 & 58.1-432	Conservation Tillage Equipment Credit	1985 (effective 1985)	Individual and Corporate	486,727	386,649	220,153	195,865	244,172
§ 58.1-435	Low-Income Housing Credit	1989 (effective 1990)	Individual, Corporate, Insurance and Bank	15,542	2,567	1,462	0	8,737
§§ 58.1-337 & 58.1-436	Advanced Technology Pesticide and Fertilizer Application Equipment Credit	1990 (effective 1990)	Individual and Corporate	156,193	189,639	134,734	133,953	140,097
§ 58.1-438.1	Tax Credit for Vehicle Emissions Testing Equipment and Clean-Fuel Vehicles and Certain Refueling Property	1993 (effective 1993)	Individual and Corporate	9,482	9,437	13,839	41,754	28,466
§ 58.1-439	Major Business Facility Job Tax Credit	1994 (effective 1995)	Individual, Corporate, Insurance and Bank	4,109,769	772,996	6,766,397	1,843,973	1,258,321
§ 58.1-439.2	Coalfield Employment Enhancement Tax Credit (Refundable)	1995 (effective 1996)	Individual and Corporate	28,363,515	23,432,390	18,876,702	15,201,030	16,146,142
§ 58.1-439.1	Clean Fuel Vehicle and Advanced Cellulosic Biofuels Job Creation Tax Credit	1995 (effective 1996)	Individual and Corporate	307,062	312,647	153,814	88,561	182,171
§ 58.1-339.2	Historic Rehabilitation Tax Credit	1996 (effective 1997)	Individual, Corporate, Insurance and Bank	97,998,279	98,069,652	87,762,096	69,963,347	76,560,799
§ 58.1-439.4	Day-Care Facility Investment Credit	1996 (effective 1997)	Individual and Corporate	0	0	0	0	0
§§ 58.1-339.3 & 58.1-439.5	Agricultural Best Management Practices Tax Credit	1996 (effective 1998)	Individual and Corporate	1,144,933	1,008,216	687,381	485,114	1,101,781
§ 58.1-439.6	Worker Retraining Tax Credit	1997 (effective 1999)	Individual, Corporate, Insurance and Bank	160,926	225,596	234,045	302,818	0
§ 58.1-439.7	Recyclable Materials Processing Equipment Credit	1998 (effective 1999)	Individual and Corporate	623,285	2,098,025	1,659,152	1,448,216	1,501,855
§ 58.1-332.1	Foreign Tax Credit	1998 (effective 1998)	Individual Only	507,562	573,464	364,274	360,689	656,876
§ 58.1-339.4	Qualified Equity and Subordinated Debt Investments Tax Credit	1998 (effective 1999)	Individual Only	2,096,539	2,382,504	2,183,736	2,837,611	3,184,603
§ 58.1-439.10	Waste Motor Oil Burning Equipment Credit	1998 (effective 1999)	Individual and Corporate	124,387	163,750	120,696	114,042	102,660
§ 58.1-439.9	Tax Credit for Certain Employers Hiring Recipients of Temporary Assistance to Needy Families (TANF)	1998 (effective 1999)	Individual and Corporate	0	0	0	0	0
§ 58.1-512	Land Preservation Tax Credit	1999 (effective 2000)	Individual and Corporate	67,668,579	70,045,313	53,552,533	56,939,343	60,424,732
§ 58.1-339.6	Political Candidates Contribution Tax Credit	1999 (effective 2000)	Individual Only	604,377	731,922	773,483	105,477	16,273
§ 58.1-339.7	Livable Home Tax Credit	1999 (effective 2000)	Individual and Corporate	823,494	755,221	694,857	734,377	918,967
§ 58.1-433.1	Virginia Coal Employment and Production Incentive Tax Credit	1999 (effective 2001)	Corporate Only	8,909,576	3,128,699	3,705,189	6,803,731	481,274
§ 58.1-339.8	Low-Income Taxpayer Credit	2000 (effective 2000)	Individual Only	133,791,162	137,064,092	133,649,656	130,158,836	135,826,748
§§ 58.1-339.10 & 58.1-439.12	Riparian Forest Buffer Protection for Waterways Tax Credit	2000 (effective 2000)	Individual and Corporate	229,754	321,533	251,001	263,314	399,665
§ 58.1-339.9	Rent Reductions Tax Credit	2000 (effective 2000)	Individual and Corporate	0	0	0	0	0
<b>Less than 10 years old:</b>								
§ 58.1-339.11	Long-term Care Insurance Tax Credit	2006 (effective 2006)	Individual Only	1,174,845	1,472,791	1,035,844	917,390	1,003,260
§ 58.1-439.12:02	Biodiesel and Green Diesel Fuels Producers Tax Credit	2008 (effective 2008)	Individual and Corporate	0	689	1,182	3,500	0
§ 58.1-439.12:05	Green Job Creation Tax Credit	2010 (effective 2010)	Individual and Corporate	752	333	2,724	63,501	47,952
§ 58.1-439.12:04	Tax Credit for Participating Landlords (Community of Opportunity)	2010 (effective 2010)	Individual and Corporate	42,041	53,266	71,500	27,909	0
§ 58.1-339.12	Farm Wineries and Vineyards Tax Credit	2011 (effective 2011)	Individual and Corporate	180,535	176,347	142,724	129,078	199,143
§ 58.1-439.12:03	Motion Picture Production Tax Credit (refundable)	2011 (effective 2011)	Individual and Corporate	7,176,474	5,494,009	6,585,337	6,058,480	0
§ 58.1-439.12:06	International Trade Facility Tax Credit	2011 (effective 2011)	Individual and Corporate	146,096	255,692	315,330	290,440	917,637
§ 58.1-439.12:08	Research and Development Expenses Tax Credit (refundable)	2011 (effective 2011)	Individual and Corporate	4,210,012	4,670,767	4,236,720	4,193,083	4,149,789
§ 58.1-439.12:09	Barge and Rail Usage Tax Credit	2011 (effective 2011)	Individual, Corporate, Insurance and Bank	41,700	567,568	0	494	484
§ 58.1-439.12:10	Virginia Port Volume Increase Tax Credit	2011 (effective 2011)	Individual and Corporate	736,816	884,066	2,234,213	1,804,494	1,840,341
§ 58.1-439.12:07	Telework Expenses Tax Credit	2011 (effective 2012)	Individual and Corporate	112,843	56,127	14,734	68,102	5,328
§ 58.1-439.26	Education Improvement Scholarships Tax Credits	2012 (effective 2013)	Individual, Corporate, Insurance and Bank	1,613,525	4,676,327	6,511,653	7,935,928	10,959,188
§ 58.1-439.12:11	Major Research and Development Expenses Tax Credit	2016 (effective 2017)	Individual and Corporate	n.a.	n.a.	n.a.	6,082,317	4,812,582
§ 58.1-439.12:12	Food Crop Donation Tax Credit	2016 (effective 2017)	Individual and Corporate	n.a.	n.a.	n.a.	5,000	0

Notes:

- Number of returns and amounts are for income tax returns processed during the fiscal year, regardless of taxable year. For most credits, returns for multiple taxable years were processed during the fiscal year. The total for each return may include carryovers from prior years.
- If a return was amended or audited during the fiscal year, only the additional credit amount (or reduction) is included.
- The amount shown for the Coalfields Employment Enhancement Tax credit includes the amount refunded to taxpayers, as well as that deposited with the Coalfields Economic Development Authority.
- A refundable tax credit is one which is not limited by the amount of the taxpayer's tax liability.
- Some credits may be claimed against taxes in addition to income taxes; amounts in table are for only individual and corporate income tax.

\* Data for this credit is not available for release because fewer than four returns claiming the credit have been processed in during the fiscal year.