



COMMONWEALTH of VIRGINIA

Department of Taxation

October 1, 2026

The Honorable L. Louise Lucas
Chair, Senate Finance and Appropriations Committee
Post Office Box 700
Portsmouth, Virginia 23705

The Honorable Vivian E. Watts
Chair, House Finance Committee
8717 Mary Lee Lane
Annandale, Virginia 22003

Dear Chair Lucas and Chair Watts:

Pursuant to 2019 House Bill 2539 (Chapter 189 of the 2019 *Acts of Assembly*), the Department of Taxation is required to report annually regarding the status and implementation of the Worker Training Tax Credit. 2019 House Bill 2539 created a tax credit for businesses that provide certain training opportunities to employees and middle school and high school students in Virginia. This credit became effective for taxable years beginning on or after January 1, 2019. Qualifying taxpayers may apply for credits by submitting Form WTC. Once credits have been approved, qualifying taxpayers may claim such credits on their Virginia income tax returns.

During Fiscal Year 2025, the Worker Training Tax Credit was claimed on seven individual and corporate income tax returns for a total amount of \$51,935. This reflects income tax returns processed during Fiscal Year 2025 and does not include returns filed or processed on or after July 1, 2025. The portion of the Worker Training Tax Credit for manufacturing orientation, instruction, and training expired on January 1, 2025, and the portion of the credit for eligible worker training expired on July 1, 2025. As both portions of the credit have now expired, this is the final annual report on the Worker Training Tax Credit unless the General Assembly elects to renew the credit.

Please contact me if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Kristin L. Collins".

Kristin L. Collins
Tax Commissioner

C: The Honorable Mark D. Sickles, Secretary of Finance