

## **HJR 685/SJR 387 State Tax Code Study Issues (12/17/01)**

1. Virginia's policy regarding tax preferences---
  - Income tax--subtractions, deductions, tax credits
  - Sales and use tax--exemptions
2. Costs of administering state taxes
3. Streamline Sales Tax Project---
  - Ongoing activities of the project
  - Virginia's level of participation
4. Appropriate mixture of general fund taxes
5. Localities need/desire for more/different taxing authority/revenues
  - a) Piggyback income tax
  - b) Sharing income tax revenues with localities
6. Extension of sales tax to services/commerce
7. Appropriate provision of services between the state and the localities
8. Action to take regarding the 21st Century Tax Commission's recommendations
9. Eliminate Income Tax and replace with higher Sales Tax
10. Rates of Tax
  - a) 1923 level of 2%, 3%, 5% -- phase out (bracket creep)
11. Gas/sales tax for roads -- local authority
12. Tax simplification -- more user friendly
13. Effectiveness and simplicity of administrative appeals
14. BPOL Structure -- Phase out and replace (% of Corporate Income Tax)
15. Car tax phase out -- How to integrate simply into the code?
16. Time frame for refunds
17. Use Tax -- modify or phase out
18. Other