

Reducing Vehicle Registration Fees

2021 Fact Sheet



VNGA



The Issue

Virginia National Guard Service Members continue to face an unprecedented number of mobilizations in support of the Commonwealth of Virginia and the United States. The mobilizations often take them away from families and friends for an extended period of time. Likewise, these mobilizations often take highly-skilled and valued employees away from their employers.

Virginia National Guard Airmen assigned to the 192nd Security Forces Squadron, 192nd Mission Support Group, 192nd Wing, help to secure the grounds near the U.S. Capitol, in Washington, D.C. National Guard Soldiers and Airmen from several states have traveled to Washington to provide support to federal and district authorities leading up to the 59th Presidential Inauguration.

Background

Members of the Virginia National Guard are Citizen-Soldiers, meaning that when they are not serving on Federal or State missions, they are in their communities and working to support their families.

As a Commonwealth and a Nation, it is important that we recognize our employers who knowingly hire these Citizen-Soldiers. One way to do this is through a nonrefundable tax credit against individual and corporate income taxes paid by an employer to an employee who is or who is a self-employed member of the Virginia National Guard.

Employers could earn a nonrefundable tax credit in the amount of 25 percent if such employee was in a military pay status for 65 days or more during the taxable year or 15 percent if the employee was in a military

Pay status for more than 44 days but fewer than 65 days during such tax year. The credit would not be allowed if the employee was in a military pay status for less than 44 days.

The typical traditional Guard Soldier or Airmen performs duty in a military pay status one weekend a month and 15 days a year, which averages out to 39 days in a given tax year. In the event that the Service Member completes additional Professional Military Education, an Overseas Duty Training event, is activated to respond to severe weather events or incidents of civil unrest, their employers may be eligible for this tax credit.

Recommendation

Amend § 58.1-339 to add section 13 to Article 3 of Chapter 3 of Title 58.1 establishing Tax Credits for employers and self-employed members of the Virginia National Guard.

Learn more at vnga.us

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