DRAFT FORM — NOT FOR FILING

This draft form has been updated to include the most recent changes effective for Tax Year 2026 Virginia returns. If legislative changes or issues arise, we will post a new version of this draft form.

Please continue to monitor **tax.virginia.gov/early-release-forms** for future drafts of this form. Once forms are final, we will post them on our website at **tax.virginia.gov/forms**.

VIRGINIA

2026 Form 760

Resident Individual Income Tax Instructions

◆ Please file electronically! ◆

Filing on paper means waiting longer for your refund.

Here are 6 advantages of filing electronically:

FASTER REFUND – File electronically and request your refund as a direct deposit into your bank account.

FEWER MISTAKES – Electronic filing does the math for you and helps avoid costly mistakes, such as transposing numbers and calculation errors.

EASY TO USE – Follow step-by-step instructions for easy guidance through completing your return.

PROOF OF RECEIPT – When you file electronically, you'll get a confirmation your return was received.

CONFIDENTIALITY – Our electronic filing options meet strict security guidelines to protect your identity and personal information.

CONVENIENCE – Access your tax account from anywhere 24/7.



www.tax.virginia.gov

DRAFT

Va. Dept. of Taxation 2614089-W Rev. 10/26

DRAFT

Virginia Tax Online Services

www.tax.virginia.gov

Get Your Tax Refund Faster Using e-File

Last year, over 4 million Virginia taxpayers used IRS e-File services to file their state and federal income tax returns. e-File is faster, safe and convenient. Use one of these Electronic Filing (e-File) options offered by participating software companies:

- **Free File -** A free federal and state income tax preparation and electronic filing program available to taxpayers based on income and other eligibility requirements.
- **Paid e-File -** Commercial tax preparation and e-File software available online or over-the-counter for personal use and through tax preparers.

Visit our website to find out more about these options, including links to e-File providers.

Look Up Your Form 1099-G/1099-INT Information Online

Form 1099-G/1099-INT may be downloaded securely and printed from our website.

Check Your Refund Status

e-File combined with Direct Deposit is the fastest way to receive your refund. To check your status, visit **www.tax.virginia.gov** or call **804.367.2486**. See below for approximate refund turnaround time frames. To reduce the risk of refund fraud, the Virginia Department of Taxation uses various processes to validate tax refunds prior to issuance. These processes could delay the receipt of your refund.

- If you e-File your return, refunds are generally processed within 1 week but could take up to 4 weeks.
- If you file a paper tax return, your refund will generally be processed within 8 weeks.
- If you mail your tax return using Certified Mail, it could take an additional 3 weeks.

DRAFT

Make Online Payments

To make an Estimated Tax Payment, a Filing Extension Payment, a Return Payment or pay a Tax Bill online from your bank account, credit or debit card, visit **www.tax.virginia.gov/payments**.

Take Advantage of More Individual Online Services

From your personal home page you can:

- View total estimated payments made for the current tax year and any overpayment you may have carried forward to the current year from your previous year's tax return.
- Update your address and phone numbers in your personal profile at any time.
- View your transaction history including return status, refunds, payments and correspondence sent to you by the Department.
- Set up to receive alerts and reminders.

Refund Fraud Prevention

The Virginia Department of Taxation takes the protection of your information seriously.

Additional Steps to Protect You – and the Commonwealth

As identity theft and refund fraud become more widespread, we are enlisting the support of taxpayers, tax preparers, employers, and payroll providers to stop tax fraud. Due to these changes, we may request additional information from you. In addition, we may take longer than in previous years to process your tax return.

We are committed to safeguarding taxpayer information.

WHAT YOU CAN DO

Take these steps to protect yourself from related identity theft and refund fraud:

- Do not provide personal information by mail, phone, email, or text to an unknown person
- File your taxes early – and file electronically
- Be sure you have all W-2s and other withholding statements before you file
- Include your Virginia Driver's License Identification number and Issue Date on your return

If you think that you are a victim of identity theft, we suggest you take the following steps:

- Submit Form 14039 Identity Theft Affidavit to the IRS
- Contact the Virginia Department of Taxation's Identity Theft Information line at 804.404.4185
- Contact the three credit bureaus and your bank(s) to notify them
- Contact your local police or sheriff's department to file a criminal complaint

DRAFT

Thank you for helping us prevent refund fraud.

*For additional information, please see our website at **www.tax.virginia.gov.***

Table of Contents

What's New 1
Reminders 3
Filing Options, Forms and Assistance 4
Do You Need to File a Virginia Income Tax Return? 4
When to File Your Return 4
Where to File 5
Amended Returns 5
Residency Status and Choosing the Right Form to File 6
Getting Started 8
Do You Need to Complete Virginia Schedule ADJ? 8
Assembling Your Return 8
Form 760 Line Instructions 8
Age 65 and Older Deduction Worksheet 11
Itemized or Standard Deductions 12
Spouse Tax Adjustment Worksheet 13
Payment Options 16
Refund Options 17
Schedule ADJ Line Instructions 18
- Conformity Update for 2026 18
- Additions to Income 18
- Subtractions from Income 20
- Deductions from Income 23
- Tax Credit for Low-Income Individuals or Virginia Earned Income Tax Credit 25

Addition to Tax, Penalty, and Interest 27
Schedule VAC Line Instructions 28
- Commonwealth Savers Contributions 28
- Other Voluntary Contributions 28

Voluntary Contribution Organizations 29
Library Foundations 31
Public School Foundations 32
Credit for Taxes Paid to Another State 33
- Schedule OSC Line Instructions 34

About Virginia Schedule CR 35
Tax Rate Schedule 36
Mailing Addresses and Locality Codes 37

DRAFT

DRAFT

What's New

Virginia's Conformity to the Internal Revenue Code

During the 2026 General Assembly Session, the 2026 Amendments to the 2025 Appropriation Act replaced Virginia's suspended rolling conformity to the IRC with a fixed conformity date of December 31, 2025. The legislation also provides that Virginia will automatically conform to any federal tax law amendment that extends the expiration date of a federal tax provision to which Virginia conforms or has previously conformed. This legislation allows Virginia to conform to most of the provisions of the 2025 federal Budget Reconciliation Act (H.R. 1, P.L. 119-21). See Tax Bulletin 26-1 at **www.tax.virginia.gov** for more information on this legislation.

Except where specifically noted, Virginia conforms to the provisions of 2025 H.R.1 to the extent they affect the computation of federal adjusted gross income or federal itemized deductions for individuals or federal taxable income for corporations for taxable years beginning on or after January 1, 2025, as described below.

Regarding itemized deductions, Virginia generally deconforms from the federal state and local tax (SALT) cap and the new federal overall limitation on itemized deductions. However, Virginia retains the Virginia overall limitation on itemized deductions and applies the federal SALT cap amount for the taxable year when calculating the Virginia overall limitation on itemized deductions. Virginia continues to deconform from the federal reduction in the medical expense deduction floor and the federal requirements related to the overall limitation on itemized deductions. Refer to the Schedule A instructions for guidance on computations for the Virginia specific itemized deduction provisions.

For the business interest deduction, Virginia conforms to the federal change that affects the amount of business interest disallowed at federal level. However, the Virginia deduction for business interest disallowed on the federal return is reduced to 20% for taxable years beginning on or after January 1, 2025.

Virginia deconforms from certain business-related provisions of 2025 H.R. 1, specifically: the immediate expensing of qualified production property, the immediate expensing of domestic research and experimental expenditures (including retroactive and catchup provisions), and the increases to the expensing limits of certain depreciable assets. See Tax Bulletin 26-1 for information on the associated adjustments required on Virginia returns.

Virginia will continue to deconform from certain federal provisions, including: bonus depreciation allowed for certain assets under federal law; the five-year carryback of certain federal net operating loss (NOL) deductions generated in the 2008 or 2009 taxable years; the federal income treatment of applicable high yield discount obligations; and the federal income tax treatment of cancellation of debt income realized in connection with certain business debts; certain business provisions of the federal CARES Act, and deduction of business expenses through certain COVID-related small business assistance programs prior to Taxable Year 2021.

For taxable years beginning on and after January 1, 2026, taxpayers may claim a tax deduction for ordinary and necessary expenditures made in connection with carrying on a trade or business licensed in Virginia pursuant to the Cannabis Control Act (Va. Code § 4.1-600 et seq.) that were disallowed under IRC § 280E of the Internal Revenue Code.

Also effective for taxable years beginning on and after January 1, 2026, conformity modifications may be necessary if you elect to claim a deduction under I.R.C. § 179 on your federal income tax return.

More details on deconformity items are available at the Virginia Tax website. Before filing your return check **www.tax.virginia.gov** to see if any additional conformity changes have been made by the 2027 Session of the General Assembly.

Eligible Educator Qualifying Expenses Tax Deduction reinstated for 2026

During the 2026 Virginia General Assembly Session, the 2026 Amendments to the 2025 Appropriation Act and the 2026 Appropriation Act reinstated the eligible educator qualifying expenses tax deductions for taxable years beginning on or after January 1, 2026. This deduction was not available during Taxable Year 2025. See Deduction Code 118 in the Schedule ADJ instructions for more information.

Voluntary Contributions for the Wildlife Corridor Grant Fund

Effective for taxable years beginning on or after January 1, 2026, the Virginia Wildlife Corridor Grant Fund has been added to the list of organizations and funds that may receive voluntary contributions from taxpayers. The Virginia Wildlife Corridor Action Plan is a statewide strategy for conserving and reconnecting wildlife habitat corridors and for investing in wildlife crossing road projects to reduce wildlife-vehicle collisions. The Wildlife Corridor Grant Fund provides grants for projects aligned with this plan. Funded projects will provide conservation, transportation, and human safety benefits including conserving and enhancing wildlife corridors; installing wildlife crossings under and over roads; restoring habitat connectivity for rare and at-risk species; improving aquatic organism passage at road-stream crossings; and making roads safer for people and wildlife. The Department of Wildlife Resources administers this fund in consultation with the Departments of Transportation, Conservation and Recreation, and Forestry.

Change to Underpayment Tax Penalty

The penalty threshold for an underpayment of estimated tax increases from $150 to $1,000 for taxable years beginning on or after January 1, 2026. For example, if you underpay your estimated tax by less than $1,000, you do not owe an underpayment tax penalty.

DRAFT

Credit Changes

The Motion Picture Production Tax Credit sunset date has been extended from January 1, 2027, to January 1, 2031.

The Conservation Tillage Equipment Tax Credit expired on January 1, 2021. The 5-year carryover period expired on January 1, 2026.

The Precision Fertilizer and Pesticide Application Equipment Tax Credit expired on January 1, 2021. The 5-year carryover period expired on January 1, 2026.

The Major Business Facility Job Tax Credit expired on July 1, 2025. Businesses that were approved to receive the first half of their credit in 2025 may still obtain the remaining 50% of the credit for Taxable Year 2026. Additionally, unused credits from previous years may be carried over for up to 10 taxable years.

The Qualified Equity and Subordinated Debt Investments Tax Credit expired on January 1, 2026. Unused credits from previous years may be carried over up to 15 taxable years.

The Communities of Opportunity Tax Credit expired on January 1, 2026. Unused credits from previous years may be carried over up to 5 taxable years.

The Worker Training Tax Credit expired on July 1, 2025. Unused credits from previous years may be carried over up to 3 taxable years.

The Pass-Through Entity Elective Tax (PTET) Credit sunset date has been eliminated.

More information about changes to tax credits is provided in the Instructions for 2026 Virginia Schedule CR and on the Department's website at **www.tax.virginia.gov.**

DRAFT

Reminders

Extension for Filing Income Tax Returns: All taxpayers are granted an automatic 6-month extension of time to file their income tax returns. No application for extension is required; however, any tentative tax due must be paid with an extension voucher, Form 760IP, by the original due date for filing the return.

You can file and pay your tentative tax online using the Department's eForms or Individual Online Services, or through e-File software. Payments are made electronically and you may schedule payments to be made on a future date.

Electronic Filing Requirements for Certain Taxpayers: Individuals are required to file and remit payment using an electronic medium if (i) any installment payment of estimated tax exceeds or can reasonably be expected to exceed $1,500, (ii) any payment made with regard to a return or extension of time to file exceeds $1,500, or (iii) the taxpayer's estimated total tax liability exceeds $6,000. If any of the thresholds above apply to you, all future individual income tax payments must be made electronically. This includes all payments for estimated taxes, extensions of time to file, and any other amounts due when a return is filed.

Consumer's Use Tax: If you purchased merchandise by Internet, telephone, or mail, or you purchased any merchandise outside Virginia and paid no sales tax you may be required to pay Consumer's Use Tax. Report the applicable tax on Form 760, Line 33.

Litter Tax: Every manufacturer, wholesaler, distributor or retailer of the following products is subject to the Litter Tax.

- Food for Human or Pet Consumption
- Groceries
- Cigarettes and Tobacco
- Soft Drinks and Carbonated Waters
- Distilled Spirits, Wine, Beer and Other Malt Beverages
- Newspaper or Magazines
- Paper Products and Household Paper
- Glass and Metal Containers
- Plastic or Fiber Containers made of Synthetic Material
- Cleaning Agents and Toiletries
- Nondrug Drugstore Sundries
- Motor Vehicle Parts

Businesses become subject to the tax on the first January 1 they are in business. The Litter Tax return, Form 200, and payment of the tax are due on May 1 of each year, for the preceding calendar year.

File and pay your Litter Tax Return online using the Department's eForms. Complete the online version of the Litter Tax Return as you would if you were completing a paper form. Payments are made electronically and you may schedule payments to be made on a future date.

If you are unable to file and pay electronically you may request a waiver. You can obtain the waiver request form at **www.tax.virginia.gov** or by calling **804.367.8037**.

Civil and Criminal Penalties: The civil penalty for filing a false or fraudulent return or for failing or refusing to file any return with intent to evade the tax, is an additional penalty of 100% of the correct tax.

Any individual who willfully fails or refuses to file a return, at the time or times required by law, shall be guilty of a Class 1 misdemeanor. In addition, an individual who makes any false statements on a return, with intent to defraud the Commonwealth, shall be guilty of a Class 6 felony.

Debt Collection: Before issuing any refunds, Virginia law requires the Department to check for any outstanding debt with agencies of the Commonwealth of Virginia, Virginia local governments and the Virginia court system. If any debt is found, regardless of the type of tax return filed, all or part of your refund may be withheld to help satisfy the debt and the processing of your return will be delayed.

In addition, the Department is authorized to submit eligible state income and business tax debts to the U.S. Department of Treasury Offset Program. Once a debt is submitted, the U.S. Department of Treasury will withhold or reduce your eligible federal tax refund or federal vendor payment by the amount of your debt. The Internal Revenue Code authorizes this process, known as "offset."

Offset of federal refunds is only one source of funds that the Department of Taxation may use to satisfy an outstanding tax bill. Your state income tax refund and payments from other state agencies may be withheld to satisfy an outstanding tax bill as well.

Because of timing differences in obtaining funds from various sources, it is possible for us to receive funds from more than one source to satisfy the same debt. If this happens, the overpaid amount will be released upon receipt of the funds. You do not need to contact the Department to request your refund.

Direct Deposit: Due to electronic banking rules, the Department will not allow direct deposits to or through foreign financial institutions. Attempting to use direct deposit to transfer funds electronically to a financial institution outside the territorial jurisdiction of the United States will significantly delay your refund. Visit **www.tax.virginia.gov** for details.

Tax-Related Identity Theft: Tax-related identity theft occurs when someone uses your Social Security Number to file a tax return claiming a fraudulent refund. Often, an identity thief will use your Social Security Number to file a return early in the year. You may not be aware that you are a victim until you file your return and learn one already has been filed. We apply stringent scrutiny to all tax returns in an attempt to detect fraudulent tax refunds. If you receive a letter from us asking for additional information to verify that you are the actual taxpayer filing a return, please respond immediately. To learn more about identity theft and how to protect yourself, see the following resources:

- IRS Taxpayer Guide to Identity Theft
- IRS Identity Protection Tips
- Virginia Attorney General
- Federal Trade Commission

DRAFT

Filing Options, Forms and Assistance

Filing Options

- **e-File your return online:** Electronic filing is used to prepare and file your federal and state tax returns over the Internet. Please visit the Department at **www.tax.virginia.gov** to find out more about these programs.
- If you file online do not send a paper copy of your return.
- **File your return on paper:**
  - Use commercial tax preparation software and print a copy of your state tax return
  - Use our online fillable forms: download, type in your filing information, then print
  - Order forms by calling 804.367.8031

If you fill out your tax return by hand, you can avoid processing delays by printing your information so it can be easily read. Please use black ink and not pencil.

Virginia Tax does not acknowledge receipt of paper filed returns and/or payments. If you need confirmation of delivery, consider using USPS Postal Service Tracking.

Assistance

- For assistance, visit the Department's website at **www.tax.virginia.gov**
- Call Customer Service at **804.367.8031**.
  For TTY users dial 7.1.1
- Mail requests for information to:

  Virginia Department of Taxation
  P.O. Box 1115
  Richmond, Virginia 23218-1115

  Please do not mail your return to this address.
- Call or visit your Local Commissioner of the Revenue, Director of Finance, or Director of Tax Administration for information or return preparation assistance. Check Page 37 for a list of localities and contact information.

Do You Need to File a Virginia Income Tax Return?

Every Virginia resident whose Virginia adjusted gross income is at or above the minimum threshold must file.

Complete Form 760, Lines 1 through 9, to determine your Virginia adjusted gross income (VAGI). If the amount on Line 9 is less than the amount shown below for your filing status, your Virginia income tax is $0.00 and you are entitled to a refund of any withholding or estimated tax paid. You must file a return to receive a refund. To claim a refund in these cases, complete Lines 10 through 15 and enter "0" as your tax on Lines 16 and 18. Then complete Lines 19 through 36. You must file if you are:

- **Single** and your VAGI is $11,950 or more
- **Married filing jointly** and *combined* VAGI is $23,900 or more
- **Married filing separately** and your VAGI is $11,950 or more

When to File Your Return

Filing by mail or commercial delivery service: If you are mailing several documents, please consider using a flat envelope to ensure proper handling and faster processing. When filing by mail, the envelope must be postmarked by the due date. Put the correct postage on your envelope. If your return is sent back to you because of insufficient postage, you are liable for penalties and interest if the postmark on the remailed return is after the due date. Tax returns or payment of taxes remitted by a commercial delivery service will be considered timely filed if they are received in an envelope or sealed container bearing a confirmation of shipment on or before midnight of the day the return or payment is due.

Calendar year filer: If your taxable year is January 1, 2026 - December 31, 2026, your individual income tax return must be postmarked no later than **May 1, 2027**, to avoid penalties and interest. When the last day on which a tax return may be filed or a tax may be paid falls on a Saturday, Sunday or legal holiday, you may file and make payment without penalty or interest on the next succeeding business day.

Fiscal year filer: If your taxable year is any consecutive 12-month period other than January-December, your individual income tax return must be postmarked by the 15th day of the 4th month following the end of your fiscal year. When filing, you should write "Fiscal Year Filer" across the top of Page 1 of Form 760 and enclose a statement indicating the beginning and ending months of your fiscal year.

Outside U.S. If you are living or traveling outside the United States or Puerto Rico (including persons in the military or naval service on duty outside the United States and Puerto Rico), you must file your return by **July 1, 2027**. Fill in the overseas on due date oval on Page 1 of Form 760.

Weekends and holidays: If the due date falls on a Saturday, Sunday or legal holiday, your return must be postmarked by the next business day.

Extension provisions: Virginia law provides an automatic 6-month filing extension for income tax returns. No application for extension is required. The extension is for filing the return, not for payment of the tax; therefore, you must pay at least 90% of your tax by the due date, May 1 for calendar year filers, to avoid penalty. To make a payment of tentative tax, use Form 760IP.

Foreign income exclusion: If you qualify for the federal foreign income exclusion and have requested an extension of time for filing your federal return, you may apply for an extension of time to file your state return. You will be granted an extension for 30 days after the date you expect to qualify for the federal exclusion. You must apply for an extension of time to file your state return by letter on or before the 1st day of the 7th month following the close of your taxable year and enclose a copy of the approved federal extension with your return when you file.

Members of the military: Members of the Armed Forces serving in a combat zone receive either the same individual income tax filing and payment extensions as those granted to them by the IRS, plus an additional 15 days, or a 1-year

DRAFT

extension, whichever date is later. All extensions also apply to spouses of military personnel. Service families may wish, however, to file their individual income tax returns before the extended deadlines to receive refunds. Service members claiming this extension should write "Combat Zone" across the top of their tax returns and on the envelopes used to mail their returns. Such combat zone personnel should similarly write "Combat Zone" across the top of correspondence, and on the envelope used to mail the correspondence, when responding to notices issued by the Department. See Tax Bulletin 05-5, available in the Laws, Rules, and Decisions Section of the Department's website at **www.tax.virginia.gov** for more information.

In addition, every member of the armed services deployed outside of the United States is allowed an extension of their due date. The extension will expire 90 days following the completion of deployment. Service members who claim this extension should write "Overseas Noncombat" on the top of their tax returns.

Additional information for spouses of military personnel is provided in the **Residency Status and Choosing the Right Form to File** section later in this booklet.

Where to File

Use e-File to electronically file your federal and state tax returns at the same time. Software programs that provide e-File capability are available online and for purchase in stores. All e-File software will automatically check for completeness, correct errors, generate the applicable schedules and provide the option to transmit the return to the IRS and/or the Department's electronic processing systems. Some vendors will allow taxpayers to file their returns electronically for free based on certain qualifiers.

To file by mail, use the list of mailing addresses beginning on Page 37 and look up the city or county where you live, or file directly with the Department. Local phone numbers are also provided.

For more information about filing by e-File and filing by mail, go to **www.tax.virginia.gov**.

Amended Returns

Individuals are required to report to the Department federal adjustments and pay any additional amounts due within one year after the final determination date of such adjustments ("the one-year requirement"). For the purposes of the one-year requirement, the "final determination date" is defined as one of the following:

- If the federal adjustment is the result of an audit or other action by the IRS, the final determination date is defined as the first day on which no federal adjustments arising from that audit or other action remain to be finally determined. For agreements required to be signed by the IRS and the taxpayer, the final determination date is defined as the date on which the last party signed the agreement.
- If the federal adjustment is the result of an audit or other action by the IRS, and the taxpayer filed as a member of a Virginia combined or consolidated return, the final determination date is defined as the first day on which no related federal adjustments arising from that audit remain to be finally determined for the entire group.
- If the federal adjustment results from filing an amended federal return, a federal refund claim, or an administrative adjustment request or if it is a federal adjustment reported on an amended federal return or other similar report, the final determination date is defined as the day on which the amended return, refund claim, administrative adjustment request, or other similar report was filed.

If the IRS provided documentation that acknowledges acceptance of your federal amended return, enclose a copy with the Virginia amended return.

If you are an owner of a partnership and receive Form 502FED-1, Virginia Partnership-Level Federal Adjustments Report, from the partnership and need to file an amended Virginia return in order to report the distributive share of the partnership-level adjustment, you must enclose a copy of Form 502FED-1 with the amended return.

Any taxpayer filing an amended federal return must also file an amended state return and must pay any additional tax and interest due, if applicable.

If you file an amended return with any other state that affects your Virginia income tax, you must file an amended Virginia return within one year. The Department may issue a refund only if the amended return is filed within:

- 3 years from the due date of the original return, including valid filing extensions;
- 1 year from the final determination of the amended federal return or federal change, whichever is later, provided that the allowable refund is not more than the decrease in Virginia tax attributable to the federal change or correction;
- 1 year from the final determination of the amended return of any other state or change or correction in the income tax of the taxpayer for any other state, provided that the refund does not exceed the amount of the decrease in Virginia tax attributable to such change or correction;
- 2 years from the filing of an amended Virginia return resulting in the payment of additional tax, provided that the current amended return raises issues relating solely to the prior amended return and that the refund does not exceed the amount of the tax payment made as a result of the prior amended return; or
- 2 years from the payment of an assessment, provided the amended return raises issues relating only to the prior assessment and the refund does not exceed the amount of tax paid on the prior assessment.

Complete a new return using the corrected figures, as if it were the original return. Do not make any adjustments to the amended return to show that you received a refund or paid a balance due as the result of the original return.

Use the worksheet for amended returns below to determine if you are due a refund or if any additional tax due should

DRAFT

be paid with your amended return. If your amended return results in additional tax due, interest must be paid on the tax you owe from the due date of your original return to the date that the amended return is filed or postmarked.

Amended Return

If you are filing an amended return, fill in the amended return oval. In addition, enter the appropriate amended return reason code (see below) in the space provided. Select the reason code that best indicates why your return is being amended and enclose the appropriate documentation.

Code	Amended Return Reason
01	NOL
02	Partnership Level Federal Adjustment – Enclose Form 502FED-1
03	Federal Return Amended or Adjusted – Enclose copy of IRS final determination, if applicable
04	Virginia Return – Changes to subtractions, deductions, additions, and credits
05	Pass-Through Entity Elective Tax Payment Credit
30	Other – Enclose Explanation

If the amended return is the result of a net operating loss (NOL) carryback, use the general instructions for computing the NOL from the Virginia Administrative Code (Title 23, Taxation) website at law.lis.virginia.gov. Select the link for Virginia Administrative Code and find Title 23 Taxation. Select Agency 10, Department of Taxation and Chapter 110 Individual Income Tax. General instructions are provided in 23VAC10-110-80 and 23VAC10-110-81. **Enclose a complete copy of your amended federal return and the Virginia Modification Worksheet, if applicable**.

Worksheet for Amended Returns

1. Income tax paid with original return, plus additional income tax paid after it was filed ..... 1 _____
2. Add Line 1 above and Line 26 from amended Form 760 and enter the total here..... 2 _____
3. Overpayment, if any, as shown on original return or as previously adjusted ..... 3 _____
4. Subtract Line 3 from Line 2..... 4 _____
5. If Line 4 above is less than Line 18 on amended Form 760, subtract Line 4 above from Line 18 on amended Form 760. This is the Tax You Owe..... 5 _____
6. Refund. If Line 18 on amended Form 760 is less than Line 4 above, subtract Line 18 on amended Form 760 from Line 4 above. This is the Tax You Overpaid ..... 6 _____

Residency Status and Choosing the Right Form to File

- There are two types of Virginia residents: domiciliary and actual.
- A domiciliary resident of another state may also be an actual resident of Virginia.
- Virginia residency may be either full-year or part-year.
- A nonresident of Virginia may be required to file a Virginia return.
- To determine which Virginia return you should file, first determine if you were a resident of Virginia ***at any time*** during the taxable year.
- If you are a servicemember serving in compliance with military orders or the spouse of such a servicemember, follow the special rules under 'Military Personnel and Spouses of Military Personnel,' explained below.

Step 1: Determine your residency status

Domiciliary Resident

You are a domiciliary (legal) resident if your permanent home is in Virginia. Your permanent home is where, whenever you are absent, you intend to return. Every person has one and only one domiciliary residence at a time. Most domiciliary residents actually live in Virginia; however, actual presence in Virginia is not required. If you have established legal domicile in Virginia, you are a domiciliary resident until you establish legal domicile in another state.

- Members of the armed forces who claim Virginia as their home of record are domiciliary residents, even if stationed outside of Virginia.
- A domiciliary resident who accepts employment outside of Virginia, but who does not abandon Virginia as their domiciliary residence, even if outside of Virginia for many years, remains a domiciliary resident of Virginia. This includes domiciliary residents who accept employment outside of the United States.

Actual Resident

You are an *actual* resident if:

You maintained an abode in Virginia or were physically present in Virginia for more than 183 total days during the taxable year, even if you are a domiciliary resident of another state or country.

If you are an *actual* resident of Virginia, you may be required to file as a resident in Virginia and in your domiciliary state. In this situation, you should claim a credit on the return filed in the state of your legal domicile for taxes paid to Virginia.

Students: The rules for determining the residency status of a student are the same as for anyone else.

Special Rules

Members of the U.S. Congress: If you are a member of the U.S. Congress who is a domiciliary (legal) resident of another state, you are not subject to taxation as an *actual* resident of

DRAFT

Virginia even if you maintained an abode in Virginia for more than 183 days. However, if you have income from Virginia sources other than your congressional pay, you may be required to file a Form 763, Nonresident Income Tax Return.

Spouses, Dependents and Congressional Staff Members: The exemption for members of the U.S. Congress does **not** apply to spouses, dependents or congressional staff members. If you are a spouse or dependent of a member of the U.S. Congress or you are employed by a member of the U.S. Congress, you must determine your own residency status and filing obligations, even if you filed a joint federal return.

Military Personnel and Spouses of Military Personnel: For Taxable Year 2023 and after, if you are a servicemember serving in compliance with military orders or the spouse of such servicemember, the federal Servicemember Civil Relief Act ("SCRA"), as amended by the Veterans Auto and Education Improvement Act, allows you to elect to use the following locations for purposes of taxation:

- The residence or domicile of the member,
- The residence or domicile of the spouse, or
- The permanent duty station of the member.

Servicemembers and spouses are not required to elect the same residence for state tax purposes. No form is required to be filed with the Department of Taxation to make this election; however, you should maintain any records needed to show that the elected state met the requirements of SCRA.

If you elect a state other than Virginia under SCRA, the following two types of income are exempted from Virginia individual income tax:

- A servicemembers' active duty pay, and
- A spouses' income from Virginia sources for services performed (such as wages received as an employee).

These two types of income will be referred to as "SCRA protected income."

If you had Virginia income tax withheld from your SCRA protected income, you may file Form 763-S, Virginia Special Nonresident Claim for Individual Income Tax Withheld to request a refund. Going forward, you may need to indicate on Form VA-4 that such income is exempt from withholding by checking the line on that Form that references SCRA.

If the servicemember begins or ceases to serve in compliance with military orders during the taxable year you may be required to file Form 760PY, Part-Year Resident Income Tax Return (see the instructions to Form 760PY for more information).

If you have income from Virginia sources other than SCRA-protected income, you must file Form 763, Nonresident Income Tax Return (see the instructions to Form 763 for more information) to report and pay Virginia income tax on such income.

If you elect Virginia (or are unable to elect a state other than Virginia) under SCRA, you are a Virginia resident and must file Form 760, Resident Income Tax Return. Your SCRA-protected income is not exempt from Virginia income tax.

Step 2: Determine which income tax return you should file

Virginia Residents

File Form 760, Resident Return, if:

- You were an actual or domiciliary resident for the entire year; or
- You were an actual or domiciliary resident for a portion of the year, but all of your income for the entire year was from Virginia sources.

File Form 760PY, Part-Year Resident Return, if:

- You moved into Virginia during the taxable year and became either an actual or domiciliary resident; or
- You moved out of Virginia during the taxable year *and* became a domiciliary resident of another state, provided that you did not move back to Virginia within six months.

Note to Part-Year Residents: If you had Virginia source income during the taxable year while you were a nonresident, you may also be required to file Form 763, Nonresident Return. See Nonresidents, below.

Married Taxpayers: If one spouse is a Virginia resident and the other is a nonresident, you may not file a joint Virginia return unless you both elect to determine your joint Virginia taxable income as if you were both Virginia residents. If the spouses do not make an election, the resident spouse will file either Form 760 or Form 760PY, while the nonresident spouse will file Form 763, if applicable. However, if one spouse is a full-year resident and the other spouse is a part-year resident, you may file a joint return using Form 760PY. See the Form 760PY instructions for additional information.

Nonresidents

File Form 763, Nonresident Return, if:

You had income from Virginia sources, other than interest from personal savings accounts, interest or dividends from an individual stock market investment, or pension payments from a Virginia payor.

Income from Virginia sources includes:

1. Items of income gain, loss and deductions attributable to: a) The ownership of any interest in real or tangible personal property in Virginia; b) A business trade, profession, or occupation carried on in Virginia; and c) Prizes paid by the Virginia Lottery and gambling winnings from wagers placed or paid at a location in Virginia.
2. Income from intangible personal property, including annuities, dividends, interest, royalties and gains from the disposition of intangible personal property employed by an individual in a business, trade, profession or occupation carried on in this state.

   If you were a Virginia resident for part of the year and you also received Virginia source income during your period of residence outside Virginia, you must file Form 760PY and Form 763. The Virginia source income reported on Form 763 will be only the Virginia source income you received while a nonresident.

DRAFT

Exceptions for Certain Nonresidents

An exception to the filing requirement for nonresidents applies to certain residents of Kentucky, the District of Columbia, Maryland, Pennsylvania, and West Virginia if their only Virginia source income is from salaries and wages. See below for qualifications. If residents of these states received other income from Virginia sources that is not specifically exempted, it must be reported as Virginia source income on Form 763, the Virginia Nonresident Return.

Kentucky and the District of Columbia: If you were a resident of Kentucky or the District of Columbia who commuted daily to work in Virginia, you are not required to file a Form 763 Nonresident Return, provided that 1) you had no actual place of abode in Virginia at any time during the taxable year, and 2) your only income from Virginia sources was salaries and wages, and 3) your salary and wages were subject to income taxation by Kentucky or the District of Columbia.

Maryland, Pennsylvania, and West Virginia: If you were a resident of Maryland, Pennsylvania or West Virginia and you earned salaries and wages in Virginia, you do not have to file a Form 763, Nonresident Return, provided that 1) your only income from Virginia sources was salaries and wages, and 2) you were present in Virginia for 183 days or less during the taxable year, and 3) your salaries and wages were subject to taxation by Maryland, Pennsylvania, or West Virginia.

Tax Withheld in Error by Employer: If Virginia tax was withheld from your income in error, you should file Form 763-S to obtain a refund.

If you meet any of the exceptions above and had Virginia withholding, you may need to file Form 763-S, Virginia Special Nonresident Claim For Individual Income Tax Withheld, to claim your refund.

Getting Started

Before you begin to prepare your Virginia Form 760, you will need the following:

- Your completed federal income tax return.
- W-2, 1099, and VK-1 forms with Virginia withholding.
- Virginia Schedule ADJ. See next section.
- Schedule OSC and other state income tax returns filed, if you are claiming the credit for tax paid to another state.
- Virginia Schedule CR. See Page 35.
- Virginia Schedule VAC. See Page 28.

If you are filing an amended return, you will need copies of the records supporting the change to your return, as well as your original return.

Do You Need to Complete Virginia Schedule ADJ?

Complete Virginia Schedule ADJ if you need to report any of the following:

- Additions to Federal Adjusted Gross Income (FAGI)
- Subtractions from FAGI not reported on Form 760
- Deductions from VAGI not reported on Form 760
- Credit for Low-Income Individuals or Refundable Virginia Earned Income Credit
- Addition to tax
- Penalties and Interest

Assembling Your Return

If you file your return by paper, enclose the **original** Virginia Form 760, Schedule ADJ, Schedule VAC, Schedule OSC, and Schedule CR. Do not send photocopies of these forms. Photocopies of all other supporting documents are acceptable.

Other Frequent Enclosures with Form 760

- Forms W-2, 1099, and VK-1 showing Virginia withholding
- Virginia Schedule A
- Schedule ADJ
- Schedule ADJS
- Schedule VAC
- Schedule OSC
- Schedule CR
- Form 760C or Form 760F
- Virginia Credit Schedules
- Other Virginia Statements or Schedules
- Other required enclosures

Do not use staples.

REMINDER: Keep copies of your completed Form 760 and all supporting documentation for 3 years.

Form 760 Line Instructions

Name and Address

Enter your name and mailing address in the space provided. If you use Filing Status 3 (married filing separate returns), **do not** enter your spouse's name in the spouse name field. Instead, enter your spouse's name in the space beside the Filing Status code box.

Address Change: If your address has changed since last filing, fill in the oval in the street address area.

Social Security Number

Enter your Social Security Number and the first four letters of your last name in the boxes. If using Filing Status 2, you must also enter the Social Security Number and first four letters of your spouse's last name. If using Filing Status 3, enter your spouse's Social Security Number and record your spouse's name on the line beside the Filing Status code box.

DRAFT

Privacy Act. In compliance with the Privacy Act of 1974, disclosure of your Social Security Number is mandatory under *Va. Code* § 58.1-209. Your Social Security Number is used both as a means of identifying your income tax return and of verifying the identity of individuals claiming tax refunds.

Date of Birth

Please be sure to provide your date of birth. This information is used by the Department to verify taxpayer identity. If you are filing a joint return, enter your date of birth and your spouse's date of birth in the same order as your names and Social Security Numbers.

Deceased Taxpayers

Surviving Spouse filing Joint Return: As the surviving spouse, you are considered the primary taxpayer. To complete your return:

- List your name, Social Security Number and Date of Birth first on the return
- Include your spouse's name, Social Security Number and Date of Birth in the fields labeled for "Spouse"
- Fill in the Deceased oval next to the field for your spouse's Date of Birth
- Any refund issued will be made payable to the surviving spouse. The refund may be direct deposited
- No additional documentation is required

Single Filers: If you are the court-appointed or certified Personal Representative (also referred to as Executor or Administrator) of the decedent's estate, include a copy of the court certificate showing your appointment.

- Any refund issued will be made payable to the estate of the decedent
- The refund will be issued as a check. The check may be cashed or deposited with the endorsement of the court-appointed Personal Representative

Joint Filers, both Taxpayers Deceased: Follow the instructions for Single Filers.

Important: If a refund is due, the refund will be issued in the name of the surviving spouse or the estate of the decedent(s) unless a properly completed copy of federal Form 1310 is provided. When filing electronically, the Form 1310 must be included with the federal filing.

Locality Code: Use the list beginning on Page 37 to look up the 3-digit code for the locality in which you lived on January 1, 2027. Enter the corresponding number in the boxes provided on Form 760. Local school funding is allocated based in part on this information.

Facilitated Health Insurance Enrollment: The Department is required to include on individual income tax returns a checkoff box allowing taxpayers to voluntarily consent to the Department providing certain taxpayer information to the Department of Medical Assistance Services (DMAS), the Department of Social Services (VDSS) and the Virginia Health Benefit Exchange (VHBE). The information shared with DMAS, VDSS, or VHBE, as applicable, is to contact you for purposes of determining eligibility for medical assistance or to newly enroll in a qualified health plan. If the individual, or spouse if married and filing jointly, voluntarily consents, the Department is authorized to disclose to DMAS, VDSS, and VHBE the name and date of birth of listed dependents as well as the individual's or spouse's:

- Name;
- Address;
- Social Security number;
- Email Address;
- Date of birth;
- Number and type of personal exemptions;
- Tax-filing status; and
- Adjusted gross income

The Department is only authorized to disclose information to DMAS, VDSS and VHBE upon entering a written agreement regarding the disclosure of taxpayer information.

If you would like for the Department to disclose certain information to DMAS, VDSS and VHBE for the purposes set forth above, fill in the requisite oval on Page 1 of Form 760. Also complete Schedule HCI (Healthcare Information) and enclose with your return.

Ovals

Fill in any ovals that apply.

- **Name or filing status has changed.** Fill in this oval if your name, spouse's name or filing status is different than the one on your Virginia return last year.
- **Virginia return not filed last year.** Fill in this oval if you did not file a Virginia return last year.
- **Dependent on another's return.** Fill in this oval if you can be claimed as a dependent on someone else's return. If you check this box and claim the Virginia standard deduction on Line 11, see "Dependent on another's return" on Page 12. Your standard deduction may be limited.
- **Qualifying farmer, fisherman or merchant seaman.** Fill in this oval if at least 2/3 of your gross income is a result of self-employment as a farmer, fisherman or merchant seaman.
- **Amended Return.** Fill in oval and enter the amended return reason code from the list provided on Page 6 of these instructions.
- **Overseas on due date.** If you were overseas on May 1, 2027, fill in this oval and enclose a statement explaining your situation. Your return is due **by July 1, 2027**.
- **Federal Schedule C filed with federal return**
- **Earned Income Tax Credit claimed on federal return.** If you claimed an Earned Income Tax Credit on your federal return, fill in the oval and enter the amount of the federal credit claimed.

Virginia Driver's License Information

Enter your Virginia Driver's License Identification number and Issue Date. If you do not have a Virginia driver's license, but have a Virginia ID Card, enter the identification number and issue date from the ID Card. If filing a joint return, enter the

DRAFT

information for both spouses. Providing this information is optional. It is requested for taxpayer identification purposes as part of ongoing efforts to combat identity theft and fraud.

Filing Status

In most cases, your filing status will be the same as the one you selected on your federal return. Enter the applicable number to indicate your filing status.

1 = Single

2 = Joint

3 = Married filing separately

Fill in the Head of Household oval if your filing status is Single and you checked the Head of Household box on your federal return. For more information, go to the filing status section on the Department's website: **www.tax.virginia.gov**.

If using Filing Status 3, enter the spouse's Social Security Number at the top of the form and the spouse's name on the line provided.

If one spouse is a Virginia resident and the other is a nonresident, you may not file a joint Virginia return unless you both elect to determine your joint Virginia taxable income as if you were both Virginia residents. If the spouses do not make such election, the resident spouse must file a separate return (Form 760) using Filing Status 3. If the nonresident spouse has Virginia source income to report, he or she must file a separate return using Form 763. The spouses must compute their itemized deductions and allocate exemptions for dependents as if they had filed separate federal returns. As a general rule, the spouse claiming an exemption for a dependent must be reporting at least half of the total federal adjusted gross income. In addition, each spouse must be able to support their claim of itemized deductions. If the underlying expenses for itemized deductions cannot be accounted for separately, each spouse must claim a proportionate share of the deductions based on their respective share of the joint federal adjusted gross income.

Exemptions

Enter the number of exemptions allowed in the boxes.

Dependents: Generally, you may claim the same number of dependent exemptions allowed on your federal return. If using Filing Status 3, see the Filing Status instructions in the previous section for the rules on claiming dependents. You may never claim less than a whole exemption. The same dependent may not be claimed on separate returns.

Multiply the sum of exemptions claimed in the "You," "Spouse" and "Dependents" boxes by $930.

65 or Older: To qualify for the additional personal exemption for age 65 or older, you must have been age 65 or older on or before January 1, 2027.

Blind: To qualify for the additional personal exemption for the blind, you must have been considered blind for federal income tax purposes.

Multiply the sum of exemptions claimed for "65 or older" and "Blind" by $800.

Low-Income Individuals: You cannot claim the 65 or older or Blind exemptions if you also claimed a Credit for Low-Income Individuals on Line 23 of Form 760.

Exemption Amount: Add the dollar amount from Section A to the dollar amount from Section B. Enter this amount on Line 12.

Note for Filing Status 3: Each spouse must determine exemptions as if separate federal returns had been filed, using the federal rules for separate reporting. If dependent exemptions cannot be accounted for separately, they must be proportionately allocated between each spouse based on each spouse's income. One spouse may never claim less than a whole personal exemption.

Dollar Amounts

All amounts entered on your return **must be rounded to the nearest dollar**. Amounts less than 50 cents should be rounded down while all amounts of 50 cents - 99 cents should be rounded up. Rounding to the nearest dollar improves accuracy and reduces processing time.

Line 1 Federal Adjusted Gross Income

Enter the federal adjusted gross income from your federal return. If married filing separately (Filing Status 3), enter only the amount of income attributable to you. Be sure to use the federal adjusted gross income amount, NOT federal taxable income.

Line 2 Additions

If you reported any additions on Schedule ADJ, enter the total amount from Line 3 of Schedule ADJ.

Line 3 Add Lines 1 and 2 and enter the total.

Line 4 Age Deduction

Are you eligible to claim an age deduction? For the 2026 taxable year, taxpayers born on or before January 1, 1962, may qualify to claim an age deduction based on their birth date, filing status and income. A taxpayer who claims an age deduction may **NOT** claim a disability income subtraction, Credit for Low-Income Individuals or Refundable Virginia Earned Income Credit.

For married taxpayers, each eligible spouse may take either an age deduction or a disability income subtraction. Neither spouse may claim an age deduction if one spouse claimed a Credit for Low-Income Individuals or Refundable Virginia Earned Income Credit, even if filing separate returns. Claim the deduction or subtraction that gives you the greatest tax benefit.

If you or your spouse are not claiming a disability subtraction or a credit for earned or low-income and your birth date is on or before January 1, 1962, read below.

Taxpayers Age 65 and Older

If you or your spouse were **born on or before January 1, 1962**, you may qualify to claim an age deduction of up to $12,000 each for 2026. The age deduction you may claim depends on your birth date, filing status and income.

DRAFT

Age 65 and Older Deduction Worksheet

FOR 2026: *Only taxpayers born on or between January 2, 1939, and January 1, 1962, claiming an income-based age deduction for the 2026 taxable year are required to complete this worksheet. Married taxpayers must enter the combined income of both spouses, regardless of filing status or whether one or both spouses claim an income-based age deduction.*

1. Enter the number of taxpayers born on or between January 2, 1939, and January 1, 1962, who are claiming an **income-based age deduction** for Age 65 and Older.
   - *A. Filing Status 1, Single: Enter 1.*
   - *B. All Married Taxpayers:*
     - If one spouse is claiming an income-based age deduction: Enter 1.
     - If both spouses are eligible to claim an income-based age deduction and both spouses are filing Virginia returns, regardless of whether you are filing jointly or separately: Enter 2. 1

2. Enter your Federal Adjusted Gross Income (FAGI).
   - *A. Filing Status 1, Single: Enter your FAGI from your federal return.*
   - *B. All Married Taxpayers: Enter the* **combined FAGI for you and your spouse** *from your federal return(s)* *2*

3. Enter your conformity addition, if applicable.
   - *A. Filing Status 1, Single: Enter your conformity addition.*
   - *B. All Married Taxpayers: Enter the combined conformity addition for you and your spouse* *3*

4. Add Line 2 and Line 3 and enter the total 4

5. Enter your conformity subtraction, if applicable.
   - *A. Filing Status 1, Single: Enter your conformity subtraction.*
   - *B. All Married Taxpayers: Enter the combined conformity subtraction for you and your spouse* *5*

6. Subtract Line 5 from Line 4 and enter the difference. 6

7. Enter your Social Security and Tier 1 Railroad Benefits.
   - *A. Filing Status 1, Single: Enter taxable benefits from your federal return.*
   - *B. All Married Taxpayers: Enter the* **combined taxable benefits for you and your spouse** *from your federal return(s)* *7*

8. Subtract Line 7 from Line 6 and enter the difference. **This is your AFAGI.** 8

9. Enter the income limit for your age deduction
   - *A. Filing Status 1, Single: enter $50,000*
   - *B. All Married Taxpayers: enter $75,000* 9

10. If Line 8 is less than Line 9, your AFAGI is below the threshold.
   - *A. Filing Status 1, Single: Enter $12,000 here and on your return.*
   - *B. All Married Taxpayers: Enter $12,000 for each spouse claiming an income-based age deduction here and on your return(s).* 10

You	Spouse

11. **If Line 8 is greater than Line 9, subtract Line 9 from Line 8 and enter the difference.** 11

12. **Multiply Line 1 by $12,000 and enter the result.** 12

13. If Line 11 is greater than Line 12: You do not qualify for an age deduction.
If married and you are computing an income-based age deduction for both spouses, neither spouse qualifies for an age deduction.

14. **If Line 12 is greater than Line 11, subtract Line 11 from Line 12 and enter the difference.**
   - *A. Filing Status 1, Single: This is your age deduction. Enter on your return.*
   - *B. Married Taxpayer and* ***only one spouse*** *claiming an income-based age deduction: This is your age deduction. Enter on your return.*
   - *C. Married Taxpayers and* ***both spouses*** *claiming an income-based age deduction: Go to Line 15.* 14

15. Married Taxpayers and both spouses are claiming an income-based age deduction:
Divide Line 14 by 2.
Enter the result in the "You" and "Spouse" columns. Enter on your return(s) 15

You	Spouse

To compute the age deduction, use the calculator at **www.tax.virginia.gov** or this worksheet.

DRAFT

If your birth date is:

- **On or before January 1, 1939:** You may claim an age deduction of $12,000. If you are married, each spouse born on or before January 1, 1939, may claim a $12,000 age deduction. For individuals born after January 1, 1939, the age deduction is based on the criteria below.
- **On or between January 2, 1939, and January 1, 1962:** Your age deduction is based on your income. A taxpayer's income, for purposes of determining an income-based age deduction, is the taxpayer's *adjusted federal adjusted gross income* or "AFAGI." A taxpayer's AFAGI is the taxpayer's federal adjusted gross income, modified for any conformity adjustments and reduced by any taxable Social Security and Tier 1 Railroad Benefits.
- For Filing Status 1, single taxpayers, the maximum allowable age deduction of $12,000 is reduced $1 for every $1 the taxpayer's AFAGI exceeds $50,000.
- For all married taxpayers, whether filing jointly or separately, the maximum allowable age deduction of $12,000 each is reduced $1 for every $1 the married taxpayers' joint AFAGI exceeds $75,000.

All Married Taxpayers: A married taxpayer's income-based age deduction is **always** determined using the married taxpayers' joint AFAGI. Regardless of whether filing jointly or separately, if you are married, your income-based age deduction is determined using the combined income of both spouses. If both spouses are claiming an income-based age deduction, regardless of whether filing jointly or separately, the married taxpayers must compute a joint age deduction first, then allocate half of the joint deduction to each spouse.

Line 5 Social Security Act and Equivalent Tier 1 Railroad Retirement Act Benefits

Enter the amount of taxable social security and/or Tier 1 Railroad Retirement Act Benefits that you included in your federal adjusted gross income.

Do not include Tier 2 Railroad Retirement Benefits and Other Railroad Retirement and Railroad Unemployment Benefits. See instructions for Schedule ADJ to determine if these benefits can be included as other subtractions.

Line 6 State Income Tax Refund or Overpayment Credit

Enter the amount of any state income tax refund or overpayment credit that you reported as income on your federal return.

Line 7 Subtractions

If you reported any other subtractions on Virginia Schedule ADJ, enter the total amount from Line 7 of Schedule ADJ.

Line 8 Add Lines 4, 5, 6, and 7 and enter the total.

Line 9 Virginia Adjusted Gross Income

Subtract Line 8 from Line 3 and enter the result. If the amount on Line 9 is less than the amount shown below for your filing status, your Virginia income tax is $0.00 and you are entitled to a refund of any withholding or estimated tax paid. You must file a return to receive a refund. To claim a refund in these cases, complete Lines 10 through 15 and enter "0" as your tax on Lines 16 and 18. Then complete Lines 19 through 36.

You are required to file a return if you are:

Single and your VAGI is $11,950 or more

Married filing jointly and *combined* VAGI is $23,900 or more

Married filing separately and your VAGI is $11,950 or more

Itemized or Standard Deductions

Property and other taxes included as deductions on your federal return are also allowed on your Virginia return. If one spouse claims itemized deductions, the other spouse must also claim itemized deductions. Do not complete Line 10 if claiming the standard deduction. Skip to Line 11.

Line 10 Itemized Deductions

You must claim itemized deductions on your Virginia return if you claimed itemized deductions on your federal return. If a joint federal return was filed and you are filing separate returns in Virginia (Filing Status 3), itemized deductions that cannot be accounted for separately must be allocated proportionately between spouses based on each spouse's share of the combined federal adjusted gross income.

If you claimed itemized deductions, enter the amount from Line 19 of the Virginia Schedule A and enclose this schedule with your return. See the Virginia Schedule A instructions for more information.

Line 11 Standard Deduction

If you claimed the standard deduction on your federal return, you must also claim the standard deduction on your Virginia return. The standard deduction for Taxable Year 2026 is $8,750 for single filers and $17,500 for married filers filing jointly.

Enter on Line 11 the amount listed below that corresponds with your filing status.

Filing Status 1 ..... Enter $8,750

Filing Status 2 ..... Enter $17,500

Filing Status 3 ..... Enter $8,750

Do not complete Line 10 when claiming a standard deduction.

Dependent on Another's Return

If you can be claimed as a dependent on the federal return of another taxpayer, your standard deduction is limited to the amount of your earned income. Enter the **smaller** of the amount of earned income or the standard deduction amount on Line 11.

Line 12 Exemptions

Enter the sum of the total dollar amount from Exemption Section A and the total dollar amount from Exemption Section B.

DRAFT

Spouse Tax Adjustment Worksheet

Be sure to enter the Virginia Adjusted Gross Income for your spouse on Line 17 of Form 760.

PART 1: SEPARATE YOUR INCOME AND EXEMPTIONS

		You	Spouse
1.	Enter the portion of the Virginia Adjusted Gross Income (VAGI) on Line 9 of Form 760 that is related to each spouse. Use the worksheet at the bottom of the page to compute the separate VAGI for each spouse.....		
2.	Enter separate personal exemption amounts. Enter a 1 in the boxes that apply and multiply the total by $800. Add $930 to the total to compute the personal exemptions for you and spouse.		
	You: 65 or over:_____ + Blind:_____ = Total: _____ x $800 = _____ + $930 = ...		
	Spouse: 65 or over:_____ + Blind:_____ = Total: _____ x $800 = _____ + $930 = ...		
3.	Subtract Line 2 from Line 1. If either amount is 0 or less, stop here; you do not qualify for this credit		

PART 2: CALCULATE YOUR TAX ADJUSTMENT

4. Enter the taxable income from Line 15 on Form 760 ..... _____
5. Enter the smaller amount from Line 3 above. ***If this amount is larger than $17,000 and Line 4 is larger than $34,000, skip to Line 12 and enter $259 as the credit*** ..... _____
6. Subtract Line 5 from Line 4 (if $0 or less, enter $0) ..... _____
7. Divide the amount on Line 4 by 2 ..... _____
8. Enter the tax on the **smaller** amount from Line 5 or Line 7. Refer to the tax table or rate schedule ..... _____
9. Enter the tax on the **larger** amount from Line 6 or Line 7. Refer to the tax table or rate schedule ..... _____
10. Add Lines 8 and 9 ..... _____
11. Enter the tax from Line 16 on Form 760 ..... _____
12. **TAX ADJUSTMENT:** Subtract Line 10 from Line 11. Enter this amount on Line 17 of Form 760 ..... _____

The Spouse Tax Adjustment cannot exceed $259

DRAFT

Worksheet for Determining Separate Virginia Adjusted Gross Income

STEP 1 – Determine Separate Federal Adjusted Gross Income		**You**	**Spouse**
1. Wages, salaries, etc.	1		
2. Taxable interest and dividend income	2		
3. Taxable refunds, adjustments, or offsets of state and local income tax	3		
4. Business income	4		
5. Capital gains/losses and other gains/losses	5		
6. Taxable pensions, annuities, and IRA distributions	6		
7. Rents, royalties, partnerships, estates, trusts, etc.	7		
8. Other income (farm income, taxable social security, etc.)	8		
9. Gross income - add Lines 1 through 8	9		
10. Adjustments to gross income	10		
11. FAGI - subtract Line 10 from Line 9	11		

(The total of both columns should equal your joint FAGI reported on your 1040)

STEP 2 – Determine Separate Virginia Adjusted Gross Income		**You**	**Spouse**
12. Total additions to FAGI (Form 760, Line 2)	12		
13. Subtotal - add Lines 11 and 12	13		
14. Age Deduction (Form 760, Line 4)	14		
15. Social Security Act and Tier 1 Railroad Retirement Act Benefits (Form 760, Line 5)	15		
16. State income tax refund or overpayment credit reported as income on your federal return (Form 760, Line 6)	16		
17. Other Subtractions (Form 760, Line 7)	17		
18. Total Subtractions from FAGI – add Lines 14, 15, 16, and 17	18		
19. Subtract Line 18 from Line 13. These are your separate VAGI amounts to be used on Line 1 of the Spouse Tax Adjustment Worksheet	19		

(The total of both columns should equal your combined VAGI reported on Line 9 of your 760)

Be sure to enter your spouse's VAGI amount on Form 760, Line 17.

Line 13 Deductions

If you reported any deductions on Schedule ADJ, enter the total amount from Line 9 of Schedule ADJ. You must enclose the Schedule ADJ with your return.

Line 14 Add Lines 10, 11, 12, and 13 and enter the total**.**

Line 15 Virginia Taxable Income

Subtract Line 14 from Line 9.

Line 16 Amount of Tax

To compute your tax, you can use either the tax table or the tax rate schedule on Page 36, or use the Tax Calculator on the Department's website.

Line 17 Spouse Tax Adjustment (STA)

Couples filing jointly under Filing Status 2 may reduce their tax by up to $259 with the STA if **both have taxable income** to report and their combined taxable income on Line 15 is more than $3,000.

Use the STA Worksheet on Page 13 or the STA Calculator on the website at **www.tax.virginia.gov** to complete this line.

Enter the computed STA amount on Line 17 of Form 760. You must also enter the Virginia Adjusted Gross Income (VAGI) for your spouse.

Using the STA, couples filing joint returns will not pay higher taxes than if they had filed separate returns.

HOW IT WORKS: Virginia tax rates increase with income: 2% up to $3,000; 3% from $3,001 to $5,000; 5% from $5,001 to $17,000; and 5.75% for income over $17,000. The STA lets both incomes reported on jointly filed returns benefit from the lower tax rates.

EXAMPLE: The Smiths have combined Virginia taxable income of $47,000.

One spouse's taxable income is $35,000 and the other spouse's taxable income is $12,000. Without the STA, their Virginia tax is $2,445. With the STA, both spouses benefit from the lower tax rates.

Using the STA Calculator at **www.tax.virginia.gov**, the Smiths compute the STA of $220, reducing their taxes to $2,225.

Line 18 Net Amount of Tax

Subtract Line 17 from Line 16 and enter the difference on Line 18.

Line 19a Virginia Tax Withheld During the 2026 Taxable Year

Enter the amount of Virginia tax withheld from your W-2, 1099, and VK-1 form(s) in the box labeled "Your Virginia Withholding."

Line 19b

If filing a joint return, enter the amount of Virginia tax withheld from your spouse's W-2, and VK-1 form(s) in the box labeled "Spouse's Virginia Withholding."

Line 20 Estimated Payments for the 2026 Taxable Year

If you did not have enough income tax withheld this year, you may need to increase the amount of tax withheld or pay estimated income tax for 2027. For taxable years beginning on and after January 1, 2026, you are generally required to make payments of estimated income tax if your estimated Virginia tax liability exceeds your Virginia withholding and other tax credits by more than $1,000.

To make estimated payments, file Form 760ES or file online at www.tax.virginia.gov.

Line 21 Overpayment from Prior Year

Enter amount of 2025 overpayment applied toward 2026 estimated tax.

Line 22 Extension Payments

Enter the amount of tentative tax paid with your Form 760IP or the amount paid if you made an extension payment on the Department's website.

Line 23 Tax Credit for Low-Income Individuals or Refundable Virginia Earned Income Credit

If you claimed one of the above credits, enter the total amount from Line 17 of Schedule ADJ. Refer to Page 25 of this instruction booklet for additional information.

Line 24 Credit for Tax Paid to Another State

Enter the amount of credit for tax paid to another state that you claimed on Schedule OSC, Line 21. Refer to Page 33 for additional information. **You must enclose Schedule OSC and a copy of each state return for which you are claiming credit. The other state's return must show the computation of tax due.**

Line 25 Credits from Enclosed Schedule CR

If you claimed any credits on Virginia Schedule CR, enter the amount from Section 5, Part 1, Line 1A of Virginia Schedule CR.

Note: The Credit for Low-Income Individuals, the Credit for Taxes Paid to Another State and most credits from Schedule CR are nonrefundable. The total of all nonrefundable credits cannot exceed your tax liability as shown on Line 18 of Form 760.

Line 26 Total Payments and Credits

Add the amounts on Lines 19a through 25.

Line 27 Tax You Owe

If Line 26 is smaller than Line 18, subtract Line 26 from Line 18. **This is the amount of tax you owe.**

Line 28 Overpayment Amount

If Line 18 is smaller than Line 26, subtract Line 18 from Line 26. **This is the amount of tax you have overpaid.**

Line 29 Credit to Next Year's Estimated Tax

If you would like some or all of your overpayment from Line 28 credited to your estimated taxes for next year, enter the amount on Line 29.

DRAFT

Line 30 Commonwealth Savers Contributions

If you would like to contribute some or all of your refund to one or more Commonwealth Savers accounts, enter the amount from Schedule VAC, Part I, Section B, Line 6.

Line 31 Other Contributions from Schedule VAC

If you contributed to one or more other voluntary contribution organizations listed in the income tax instructions, enter the amount from Schedule VAC, Part II, Section D, Line 14.

Line 32 Addition to Tax, Penalty and Interest

Enter the amount from Schedule ADJ, Line 21. If you completed Form 760C or Form 760F, fill in the oval and enclose a copy even if you have no addition to tax on Line 18 of Schedule ADJ.

Line 33 Sales and Use Tax (Consumer's Use Tax)

If you purchased merchandise from retailers without paying sales tax you must pay the sales tax directly to the Department. When retail sellers do not collect sales tax, it becomes the purchaser's responsibility to pay the sales tax (i.e., consumer's use tax). Report any sales tax amount you owe on your return. If you do not owe sales tax, mark the corresponding oval on your form.

Taxable Purchases

In general, the Virginia sales and use tax applies to all purchases, leases, or rentals of tangible personal property. Regardless of the source of the purchase, if you were not charged sales tax and your purchases are shipped or brought into Virginia, you are required to pay the use tax. This includes purchases made through websites, shopping networks, mail order catalogs, and any out-of-state retailers. Taxable items include, but are not limited to, food, furniture, carpets, clothing, linens, appliances, computers, books, CDs, DVDs, artwork, antiques and jewelry. Separately stated shipping and delivery charges are not taxable, but "handling" and any combined "shipping and handling" charges are taxable. Nonprescription drugs and proprietary medicines purchased for the cure, mitigation, treatment, or prevention of disease in human beings are exempt from the tax.

Tax Rates

The general sales and use tax rate for Virginia is 5.3% (4.3% state tax and 1% local tax).

- **Northern Virginia and Hampton Roads Regions:** There is an additional 0.7% state tax imposed in the localities that make up Northern Virginia and Hampton Roads, making the rate in these areas 6% (5% state tax and 1% local tax).
- **Central Virginia Region:** There is an additional 0.7% state tax imposed in the localities that make up Central Virginia Region, making the rate in these areas 6% (5% state tax and 1% local tax).
- **Historic Triangle Region:** There is an additional 1.0% state tax imposed in the localities that make up Historic Triangle. These localities are within the Hampton Roads Region, making the rate in these areas 7% (6% state tax and 1% local tax).
- **Additional Local Option Tax:** Several localities have adopted an additional 1% local option sales and use tax. This tax is in addition to the 1% general local sales and use tax authorized under current law. The combined tax in these localities is 6.3% (4.3% state tax, 1% local tax and 1% additional local option tax). See participating localities under the 6.3% tax rate below.
- **Sales of Eligible Food Items and Personal Hygiene Products:** These items are exempt from state sales tax, but are subject to a 1% general local sales and use tax in all cities and counties in Virginia.

7% General Rate

Apply the 7% rate to items delivered to locations in the Historic Triangle region:

Historic Triangle Region

- James City County
- Williamsburg City
- York County

6.3% General Rate

Apply the 6.3% rate to items delivered to the following localities:

- City of Danville
- Charlotte County
- Gloucester County
- Halifax County
- Henry County
- Northampton County
- Patrick County
- Pittsylvania County

6% General Rate

Apply the 6% rate to items delivered to locations in the Hampton Roads, Northern Virginia and Central Virginia regions:

Hampton Roads Region

- Chesapeake City
- Hampton City
- Norfolk City
- Portsmouth City
- Virginia Beach City
- Southampton County
- Franklin City
- Newport News City
- Poquoson City
- Suffolk City
- Isle of Wight County

Northern Virginia Region

- Alexandria City
- Falls Church City
- Manassas Park City
- Fairfax County
- Prince William County
- Fairfax City
- Manassas City
- Arlington County
- Loudoun County

Central Virginia Region

- Charles City County
- Chesterfield County
- Goochland County
- Hanover County
- Henrico County
- New Kent County
- Powhatan County
- Richmond City

5.3% General Rate

Apply in all other Virginia cities and counties.

1.0% Food For Home Consumption and Personal Hygiene Products Tax Rate

You can use the table below to estimate the tax you owe for purchases under $1,000. For purchases of $1,000 or more use the worksheet at the end of this section.

DRAFT

Sales Tax Estimation Table

Use this to estimate the amount you owe for unpaid sales tax. See instructions for guidance.

Estimated Taxable Purchases		Sales Tax				
		General Merchandise				Food and Personal Hygiene Products
At least	But less than	7% Rate	6.3% Rate	6% Rate	5.3% Rate	1% Rate
$ --	$ 25	$ 1	$ 1	$ 1	$ 1	$ 0
$ 25	$ 50	$ 3	$ 2	$ 2	$ 2	$ 0
$ 50	$ 75	$ 4	$ 4	$ 4	$ 3	$ 1
$ 75	$ 100	$ 6	$ 6	$ 5	$ 5	$ 1
$ 100	$ 125	$ 8	$ 7	$ 7	$ 6	$ 1
$ 125	$ 150	$ 10	$ 9	$ 8	$ 7	$ 1
$ 150	$ 175	$ 11	$ 10	$ 10	$ 9	$ 2
$ 175	$ 200	$ 13	$ 12	$ 11	$ 10	$ 2
$ 200	$ 225	$ 15	$ 13	$ 13	$ 11	$ 2
$ 225	$ 250	$ 17	$ 15	$ 14	$ 13	$ 2
$ 250	$ 275	$ 18	$ 17	$ 16	$ 14	$ 3
$ 275	$ 300	$ 20	$ 18	$ 17	$ 15	$ 3
$ 300	$ 325	$ 22	$ 20	$ 19	$ 17	$ 3
$ 325	$ 350	$ 24	$ 21	$ 20	$ 18	$ 3
$ 350	$ 375	$ 25	$ 23	$ 22	$ 19	$ 4
$ 375	$ 400	$ 27	$ 24	$ 23	$ 21	$ 4
$ 400	$ 425	$ 29	$ 26	$ 25	$ 22	$ 4
$ 425	$ 450	$ 31	$ 28	$ 26	$ 23	$ 4
$ 450	$ 475	$ 32	$ 29	$ 28	$ 25	$ 5
$ 475	$ 500	$ 34	$ 31	$ 29	$ 26	$ 5
$ 500	$ 525	$ 36	$ 32	$ 31	$ 27	$ 5
$ 525	$ 550	$ 38	$ 34	$ 32	$ 28	$ 5
$ 550	$ 575	$ 39	$ 35	$ 34	$ 30	$ 6
$ 575	$ 600	$ 41	$ 37	$ 35	$ 31	$ 6
$ 600	$ 625	$ 43	$ 39	$ 37	$ 32	$ 6
$ 625	$ 650	$ 45	$ 40	$ 38	$ 34	$ 6
$ 650	$ 675	$ 46	$ 42	$ 40	$ 35	$ 7
$ 675	$ 700	$ 48	$ 43	$ 41	$ 36	$ 7
$ 700	$ 725	$ 50	$ 45	$ 43	$ 38	$ 7
$ 725	$ 750	$ 52	$ 46	$ 44	$ 39	$ 7
$ 750	$ 775	$ 53	$ 48	$ 46	$ 40	$ 8
$ 775	$ 800	$ 55	$ 50	$ 47	$ 42	$ 8
$ 800	$ 825	$ 57	$ 51	$ 49	$ 43	$ 8
$ 825	$ 850	$ 59	$ 53	$ 50	$ 44	$ 8
$ 850	$ 875	$ 60	$ 54	$ 52	$ 46	$ 9
$ 875	$ 900	$ 62	$ 56	$ 53	$ 47	$ 9
$ 900	$ 925	$ 64	$ 57	$ 55	$ 48	$ 9
$ 925	$ 950	$ 66	$ 59	$ 56	$ 50	$ 9
$ 950	$ 975	$ 67	$ 61	$ 58	$ 51	$ 10
$ 975	$ 1,000	$ 69	$ 62	$ 59	$ 52	$ 10

The Department may review your account and send you a bill if it is determined you underestimated your tax liability.

Sales and Use Tax Worksheet

	A. General Merchandise 5.3%, 6.0%, 6.3% or 7.0%*	B. Food and Personal Hygiene Products 1.0%
1. Enter Taxable Purchases	_____	_____
2. Multiply by sales tax rate	_____	_____
3. Add Line 2, Columns A and B	_____	

Enter the total on Form 760, Line 33. If you have no sales and use tax to report, you must fill in the oval on Form 760, Line 33.

*Use the tax rate for your city or county

Line 34

Add Lines 29 through 33.

Line 35 Amount You Owe

If you owe tax on Line 27, add Lines 27 and 34 and enter the total. **-OR-** If Line 28 is less than Line 34, subtract Line 28 from Line 34 and enter the difference.

Payment Options

If your bank does not honor your payment to the Department, the Department may impose a penalty of $35, as authorized by *Va. Code* § 2.2-614.1. This penalty will be assessed in addition to other penalties, such as the penalty for late payment of a tax.

The fastest and easiest way to make your payments is to file and pay online with VATAX Online Services for Individuals or with eForms. Payments are made electronically and you may schedule payments to be made on a future date. An electronic return payment can also be made through e-File.

You must submit your payment electronically if:

- any installment payment of estimated tax exceeded $1,500,
- any payment made with regard to a return or an extension of time to file exceeded $1,500, or
- the total estimated income tax due for any taxable year exceeded $6,000.

If you are not required to submit payments electronically, you have the option to pay by check.

Web Payments: Use the Department's website **www.tax.virginia.gov/payments** to make a payment online. Payments are electronically transferred from your savings or checking account. There is no fee charged by the Department.

Check: If you file your return locally, make your check payable to the Treasurer or Director of Finance of the city or county in which you reside; otherwise, make your check payable to the Department of Taxation. See Page 37 for a listing of localities. Make sure your Social Security Number is on your check and make a notation that it is your 2026 Virginia income tax payment.

DRAFT

If you file but do not pay with the return, you will be billed if your payment is not submitted by May 1st. To submit a payment separately from the return, but on or before May 1st, go to the Department's website and download the Form 760PMT. **Important:** If you make your payment by check after filing your return, do not submit a copy of your previously filed return with your payment.

Credit or Debit Card: If you file your return locally, call your Commissioner of the Revenue's office for instructions on how to pay. Phone numbers are listed beginning on Page 37.

If you file electronically or mail your return directly to the Department of Taxation, visit **www.tax.virginia.gov/payments** to pay on the Internet. *The company processing the transaction will assess an additional fee. Prior to payment, you will be informed of the fee and will have the option to cancel the transaction at that time with no charge.*

After you complete the transaction be sure to fill in the oval on **Line 35** indicating that you have arranged for a credit or debit card payment.

Line 36

If Line 28 is greater than Line 34, enter the difference in the box. **This is your refund.**

Refund Options

If you do not choose the direct deposit option for your refund by filling in the applicable information on Form 760, the Department of Taxation will issue a refund check to you.

Get Your Refund Faster With Direct Deposit: Have your refund deposited directly into your bank account. Fill in the bank account information and indicate whether the account number is for a checking or savings account.

Note: Due to electronic banking rules, the Department will not allow direct deposits to or through foreign financial institutions. Attempting to use direct deposit to transfer funds electronically to a financial institution outside the territorial jurisdiction of the United States will significantly delay your refund. Visit **www.tax.virginia.gov** for details.

Bank Routing Number: Enter your bank's 9-digit routing transit number printed on the bottom of your check. The first 2 digits of the routing number must be 01 through 12 or 21 through 32. Do not use a deposit slip to verify the number. It may contain internal routing numbers that are not part of the actual routing number.

Bank Account Number: Enter your bank account number up to 17 digits. Do not enter hyphens, spaces or special symbols. Enter the number from left to right and leave any unused boxes blank. *Do not include the check number.*

Remember: It is always faster and more efficient to file your return electronically.

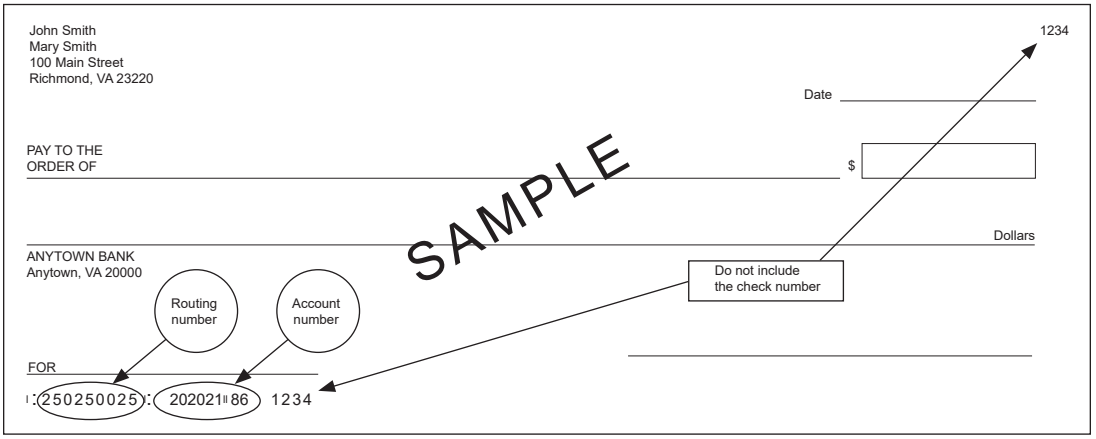
Fill in All Ovals that Apply

- **I (We) authorize the Department of Taxation to discuss my (our) return with my (our) preparer.** By marking this oval you are authorizing the Department of Taxation to respond directly to inquiries from your preparer without contacting you separately for authorization.
- *Electronic Form 1099-G*. Mark this oval if you would like to obtain your Form 1099-G/1099-INT statement electronically instead of receiving a copy by mail. Paper copies of these statements will be mailed to taxpayers who do not opt into the electronic delivery method. If you previously selected the electronic delivery method and decide to change, submit a written request to the Department using the contact information on Page 4 of this booklet. Form 1099-G/1099-INT is an informational statement issued by the Department in January of each year to report payments made or credited to taxpayers during the previous calendar year. These statements must be used in preparing federal returns by taxpayers who itemize deductions. The statement is also provided to those who receive interest payments of $10 or more during the year. Form 1099-G/1099-INT may be downloaded securely and printed from the Department's website, **www.tax.virginia.gov**.

Signature(s)

Be sure to sign and date your return. If filing jointly, both spouses must sign the return. In so doing, you agree that filing jointly on this return makes you jointly and severally liable for the tax due and any refunds will be paid jointly. Include your phone numbers in the spaces provided.

Important: The Department of Taxation is not responsible for a lost refund if you enter the wrong account information. Check with your financial institution to get the correct routing and account numbers and to make sure your direct deposit will be accepted. Do not use the routing number on a deposit slip if it is different from the routing number on your checks.



DRAFT

ID Theft PIN

If we are notified that your personal information has been compromised, we may assign you a 7-character personal identification number or PIN to be used on your Virginia income tax return. We mail new PINs to eligible taxpayers each year in November or early December. You do not need to request a new one each year, we will send it automatically. Your PIN is only active for the calendar year for which it was assigned. Use your calendar year 2027 PIN on your 2026 individual tax return filed in 2027. If you also submit your 2025 return in 2027, you should use the same Virginia PIN on that return as well. Do not use an expired PIN or a PIN assigned by the IRS. While most taxpayers do not receive a Virginia PIN, if you are issued a Virginia PIN include all alphabetical and numerical characters on your return. If you received a Virginia PIN and cannot locate it, call **804.367.8031** for a replacement.

Tax Preparer Information

If you paid someone to prepare your return, the preparer should provide their contact information in the spaces provided.

Any person who prepares, or employs one or more individuals to prepare, 50 or more individual income tax returns for compensation is required to file all individual income tax returns using e-File. An income tax return preparer does not include volunteers who prepare tax returns for the elderly or poor as part of a nonprofit organization's program.

Tax preparers may request a hardship waiver to these filing requirements by completing and submitting an Electronic Filing Waiver Request (Form EFW). For additional information, visit **www.tax.virginia.gov**.

Paid tax preparers are required to complete the Filing Election field located at the bottom of Page 2 of Form 760, using one of the codes below.

Code 2 Taxpayer opted out of electronic filing.

Code 3 Preparer prepares less than 50 returns annually

Code 4 Preparer capable of electronic filing, but return cannot be accepted electronically.

Code 5 Preparer has a hardship waiver.

Code 6 Preparer capable of electronic filing, but not yet approved as electronic return originator by IRS.

Preparer PTIN

Enter the preparer's identification number provided by the IRS. For taxable years beginning on or after January 1, 2019, an income tax return preparer who has the primary responsibility for the overall substantive accuracy of the preparation of a return or claim for refund is required to include their Preparer Tax Identification Number (PTIN) on the return.

Schedule ADJ Line Instructions

Conformity Update for 2026

Virginia's Conformity with the Internal Revenue Code

During the 2026 General Assembly Session, the 2026 Amendments to the 2025 Appropriation Act replaced Virginia's suspended rolling conformity to the IRC with a fixed conformity date of December 31, 2025. The legislation also provides that Virginia will automatically conform to any federal tax law amendment that extends the expiration date of a federal tax provision to which Virginia conforms or has previously conformed. This legislation allows Virginia to conform to most of the provisions of the 2025 federal Budget Reconciliation Act (P.L. 119-21) and decreases Virginia's deduction for disallowed business interest for taxable years beginning on or after January 1, 2025.

The 2026 Appropriation Act allows taxpayers to claim a deduction on Line 6a of Schedule ADJ for ordinary and necessary expenditures made in connection with carrying on a trade or business licensed in Virginia pursuant to the Cannabis Control Act (Va. Code § 4.1-600 et seq.) that were disallowed under IRC § 280E of the Internal Revenue Code.

Effective for taxable years beginning on and after January 1, 2026, conformity modifications may be necessary if you elect to claim a deduction under I.R.C. § 179 on your federal income tax return. Virginia has not conformed to the changes made by the 2025 federal Budget Reconciliation Act (P.L. 119-21) to I.R.C. § 179 including (i) the increase in the limitation on aggregate costs that may be deducted and (ii) the amount of § 179 property placed in service during the taxable year that triggers a reduction in the limitation on aggregate costs. These amounts are indexed for inflation each year. Therefore, a § 179 conformity addition will be required to the extent that a federal § 179 deduction greater than $1,280,000 has been claimed, which limitation must be reduced (but not below zero) to the extent that § 179 property in excess of $3,200,000 was placed in service during 2026.

The amount of the Virginia conformity addition for § 179 property will increase the depreciable basis of § 179 property for Virginia purposes, which will increase the conformity depreciation subtraction for the remaining life of the § 179 property.

See the What's New section on Page 1 of these instructions for additional information regarding Virginia's conformity with the Internal Revenue Code and adjustments that may be required as a result of conformity legislation. Refer to **www.tax.virginia.gov** for more information on conformity legislation, including any updates from the 2027 General Assembly Session.

Additions to Income

Enter your name in the box in the top left corner of Schedule ADJ (both names if filing jointly) and the Social Security Number of the primary taxpayer as shown on your Virginia Individual Income Tax Return.

DRAFT

Line 1 Interest on Obligations of Other States

Enter the amount of any interest on obligations of other states not included in your Federal Adjusted Gross Income, which is taxable in Virginia, less related expenses.

Line 2 Other Additions to Federal Adjusted Gross Income

Line 2a Conformity Additions

A. Bonus Depreciation: If you claimed a federal depreciation deduction and one or more of the depreciable assets received the special 30% or 50% bonus depreciation deduction under IRC § 168(k) in any taxable year from 2001 through 2026, or the bonus depreciation under IRC §§ 168(l), 168(m), 1400L, or 1400N, then depreciation must be recomputed for Virginia purposes as if such assets did not receive such bonus depreciation. If your total 2026 Virginia depreciation calculation is less than your 2026 federal depreciation calculation, then the difference must be recognized as an addition.

Enter the amount that should be added to Federal Adjusted Gross Income based upon the recomputation of allowable depreciation. ..... **A.** _____

B. Other Conformity Additions: If you are required to make any other conformity additions listed in the Conformity Update for 2026 above, enter the total amount of such additions on this line. Also, please enclose a schedule and explanation of such additions.

Enter any other conformity additions here..... **B.** _____

C. Enter the total of Lines A and B above and on Schedule ADJ, Line 2a ..... **C.** _____

Lines 2b-2c Other Additions

On Lines 2b-2c, enter the 2 digit code listed below, followed by the amount, for any additions to federal adjusted gross income in the categories listed below.

If claiming more than two additions on Lines 2b-2c of Schedule ADJ, use the supplemental Schedule ADJS to provide the code and amount for each addition in excess of two. Enter the total of all additions on Line 3 of Schedule ADJ and fill in the oval at the bottom of the form. Be sure to enclose Schedule ADJS with your return.

Code Description

10 Interest on Federally Exempt U.S. Obligations

Enter the amount of interest or dividends exempt from federal income tax, but taxable in Virginia, less related expenses.

11 Accumulation Distribution Income

Enter the taxable income used to compute the partial tax on an accumulated distribution as reported on federal Form 4970.

12 Lump-Sum Distribution Income:

If you received a lump-sum distribution from a qualified retirement plan and used the 20% capital gain election, the 10-year averaging option, or both on federal Form 4972, complete the table below:

Enter the total amount of distribution subject to federal tax (ordinary income and capital gain).....1 _____

Enter the total federal minimum distribution allowance, federal death benefit exclusion and federal estate tax exclusion .....2 _____

Subtract Line 2 from Line 1. Enter this amount on Line 2b or 2c of your Virginia Schedule ADJ.....3 _____

14 Income from Dealer Disposition of Property

Enter the amount that would be reported under the installment method from certain dispositions of property. If, in a prior year, the taxpayer was allowed a subtraction for certain income from dealer dispositions of property made on or after January 1, 2009, in the years following the year of disposition, the taxpayer is required to add back the amount that would have been reported under the installment method. Each disposition must be tracked separately for purposes of this adjustment.

17 First-Time Home Buyer Savings Accounts

To the extent excluded from federal adjusted gross income, an account holder must add any loss attributable to their first-time home buyer savings account that was deducted as a capital loss for federal income tax purposes. For more information, see the First-Time Home Buyer Savings Account Guidelines, available in the Laws, Rules, & Decisions section of the Department's website at **www.tax.virginia.gov**.

18 Food Donation

To the extent a credit is allowed for growing food crops or producing wholesome foods in the Commonwealth and donating the crops or wholesome foods to a nonprofit food bank, an addition to the taxpayer's federal adjusted gross income is required for any amount claimed by the taxpayer as a federal income tax deduction for such donation.

19 Federal Partnership Income Addition

Income related to a federal partnership audit must be added to the owner's income tax return if the income was not previously reported on the original Virginia return. The amount of the addition is equal to the income that was not included in Virginia taxable income. When reporting this addition, enclose the partnership's completed Form 502FED-1.

20 Pass-Through Entity Tax Add Back

If you claim a Pass-Through Entity Elective Tax Payment Credit on Schedule CR, you must add back your pro-rata share of any deduction for state and local income taxes paid by the qualifying pass-through entity.

DRAFT

99 Other

Enter the amount of any other income not included in federal adjusted gross income, which is taxable in Virginia. If you are filing by paper, enclose an explanation and supporting documentation, if applicable. If you are filing electronically, provide a detailed explanation in the space provided by the software program.

Line 3 Total Additions

Add Lines 1 through 2c and enter the total in the box. Enter this amount on Line 2 of Virginia Form 760.

Subtractions from Income

To the extent included in federal adjusted gross income, the following subtractions are allowed on the Virginia return. No amount previously excluded from FAGI can be claimed as a subtraction in computing Virginia taxable income. The same income may not be included in more than one subtraction.

Special instructions for members of the military: Virginia law provides 3 subtractions for military servicemembers.

- military pay and allowances earned while serving in a combat zone or qualified hazardous duty area (*Va. Code* § 58.1-322.02 13);
- military basic pay for personnel on extended active duty for periods in excess of 90 consecutive days (*Va. Code* § 58.1-322.02 15); and
- wages or salaries received for active and inactive service in the National Guard of the Commonwealth (*Va. Code* § 58.1-322.02 8).

Servicemembers may be eligible for more than one subtraction, but the same income may not be included in more than one subtraction. For example, a servicemember may not deduct the same income for both the military basic pay subtraction and the National Guard subtraction.

Line 4 Obligations of the U.S.

Enter the amount of any income (interest, dividends and gain) from obligations of the U.S. that are included in your federal adjusted gross income, but are exempt from Virginia state tax.

Income from obligations issued by the following organizations IS NOT taxable in Virginia: Tennessee Valley Authority, Federal Deposit Insurance Corporation; Federal Home Loan Bank; Federal Intermediate Credit Bank; Governments of Guam, Puerto Rico and Virgin Islands; U.S. Treasury bills, notes, bonds and savings bonds; Federal Land Bank; Federal Reserve Stock; Farm Credit Bank; Export-Import Bank of the U.S.; U.S. Postal Service; and Resolution Trust Corporation.

Income from obligations issued by the following organizations IS taxable in Virginia: Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Government National Mortgage Association, Inter-American Development Bank, and International Bank for Reconstruction and Development.

Line 5 Disability Income

Enter the amount of disability income reported as wages (or payments in lieu of wages) on your federal return for **permanent and total disability**. On joint returns, each spouse can qualify for the deduction. Individuals can subtract up to $20,000 of disability income, as defined under IRC § 22(c)(2)(b)(iii).

Enter YOUR subtraction on Line 5a and your SPOUSE'S subtraction on Line 5b.

A taxpayer cannot claim an age deduction on Line 4 of Form 760 and a subtraction for disability income. Claim the one that benefits you the most. For married taxpayers filing a joint return, each taxpayer may claim, if applicable, an age deduction or a subtraction for disability income.

If your disability is from social security please ensure that the subtraction is not taken twice on the same income source. The taxable portion of social security is already allowed as a subtraction on line 5 of the tax return.

Note: Once taxpayers reach mandatory retirement age (as defined by the IRS), disability income becomes retirement income.

Line 6 Other Subtractions from Federal Adjusted Gross Income

Line 6a. Conformity Subtractions

A. Bonus Depreciation: If you claimed a federal depreciation deduction and one or more of the depreciable assets received the special 30% or 50% bonus depreciation deduction under IRC § 168(k) in any taxable year from 2001 through 2026, or the bonus depreciation under IRC §§ 168(l), 168(m), 1400L, or 1400N, then depreciation must be recomputed for Virginia purposes as if the assets did not receive such bonus depreciation. If your total 2026 Virginia depreciation calculation is more than your 2026 federal depreciation calculation, then the difference must be recognized as a subtraction.

Enter the amount that should be subtracted from Federal Adjusted Gross Income based upon the recomputation of allowable depreciation. ..... **A.** _____

B. Other Conformity Subtractions: Include the total amount of other conformity subtractions on this line. Enclose a schedule and explanation of such subtractions.

Enter any other conformity subtractions here ..... **B.** _____

C. Add Lines A and B. Enter here and on Schedule ADJ, Line 6(a) ..... **C.** _____

Lines 6b-6d Other subtractions

On Lines 6b-6d, enter the 2-digit code in the boxes on Schedule ADJ, followed by the amount, for any subtractions from federal adjusted gross income listed below.

DRAFT

Other Subtractions for Lines 6b-6d

If you have more than 3 subtractions on Lines 6b-6d of Schedule ADJ, use the supplemental Schedule ADJS to provide the code and amount for each subtraction in excess of 3. Enter the total of all subtractions on Line 7 of Schedule ADJ and fill in the oval at the bottom of the form. Be sure to enclose Schedule ADJS with your return.

Code Description

20 Income from Virginia Obligations

Enter the amount of income from Virginia obligations that you included in your federal adjusted gross income. Income from Virginia obligations would include interest on Virginia state bonds or municipal obligations and gains from sales of those obligations that are included in your federal adjusted gross income.

21 Federal Work Opportunity Tax Credit Wages

Enter the amount of wages or salaries eligible for the federal Work Opportunity Tax Credit that you included in your federal adjusted gross income. Do not enter the federal credit amount.

22 Tier 2 and Other Railroad Retirement and Railroad Unemployment Benefits

Enter the amount of Tier 2 vested dual benefits and other Railroad Retirement Act benefits and Railroad Unemployment Insurance Act benefits included in federal adjusted gross income and reported on your federal return as a taxable pension or annuity.

24 Virginia Lottery Prizes

Enter the sum of all prizes under $600 awarded to you by the Virginia Lottery Department to the extent that you included them in your federal adjusted gross income.

28 Virginia National Guard Income

Enter the amount of wages or salaries included in federal adjusted gross income for active and inactive service in the Virginia National Guard. Effective for taxable years beginning on and after January 1, 2023, for persons of rank O6 and below, this amount may not exceed income received for 39 days or $5,500, whichever is less. Reminder: This subtraction does not apply to members of the active or reserve units of the Army, Navy, Air Force or Marines, or the National Guard of other states or the District of Columbia. If you claim this subtraction, you cannot claim a Credit for Low-Income Individuals or Refundable Virginia Earned Income Credit.

30 Military Pay and Allowances Attributable to Active Duty Service in a Combat Zone or a Qualified Hazardous Duty Area

To the extent included in federal adjusted gross income and not otherwise subtracted, deducted or exempted, enter military pay and allowances earned while serving by the order of the President of the United States with the consent of Congress in a combat zone or qualified hazardous duty area treated as a combat zone for federal tax purposes pursuant to IRC § 112.

31 Retirement Plan Income Previously Taxed by Another State

Enter the amount of retirement income received during the taxable year on which the contributions were taxed in another state, but were deductible from federal adjusted gross income during the same period. The total amount of this subtraction cannot exceed the amount of the contributions previously taxed by another state, usually in a previous year.

Virginia Supplemental retirement (VRS) does not qualify as previously taxed distributions for taxes paid to another state. Virginia does not previously tax contributions on the Virginia retirement plan.

34 Commonwealth Savers Income Distribution or Refund

Enter the amount of any income included in federal adjusted gross income that is attributable to a distribution of benefits or a refund from the Commonwealth Savers, in the event of a beneficiary's death, disability or receipt of scholarship.

37 Unemployment Compensation Benefits

Enter the amount of unemployment compensation benefits received during the taxable year reported as income on your federal income tax return.

38 Military Basic Pay

Military service personnel may subtract up to $15,000 of military basic pay received during the taxable year, provided they are on extended active duty for a period in excess of 90 consecutive days. Military personnel stationed inside or outside Virginia are eligible. This subtraction is allowed for military basic pay that is included in federal adjusted gross income and is not included in another subtraction, such as the Virginia National Guard Income Subtraction. If the military basic pay does not exceed $15,000, then the entire amount may be subtracted. If the basic military pay is over $15,000, then the subtraction is reduced by the amount exceeding $15,000. For every $1.00 of income over $15,000, the maximum subtraction is reduced by $1.00. If your basic military pay is $30,000 or more, you are not entitled to a subtraction. On joint returns, each spouse can qualify for the subtraction. If you claim this subtraction, you cannot claim a Credit for Low-Income Individuals or Refundable Virginia Earned Income Credit.

39 Federal and State Employees

Any individual who qualifies as a federal or state employee earning $15,000 or less in annual salary from all employment can subtract up to $15,000 of the salary from that state or federal job. If both spouses on a joint return qualify, each spouse may claim the subtraction. The subtraction cannot exceed the actual salary received. If you claim this subtraction, you cannot claim a Credit for Low-Income Individuals or Refundable Virginia Earned Income Credit.

DRAFT

40 Income Received by Holocaust Victims

To the extent included in your federal adjusted gross income, subtract any income resulting from the return or replacement of assets stolen during the Holocaust and throughout the time period leading up to, during, and directly after World War II as a result of: Nazi persecution, an individual being forced into labor against their will, transactions with or actions of the Nazi regime, treatment of refugees fleeing Nazi persecution, or holding of such assets by entities or persons in the Swiss Confederation.

44 Congressional Medal of Honor Recipients

Enter the amount of military retirement income you received as an individual awarded the Congressional Medal of Honor.

49 Certain Death Benefit Payments

Allows a beneficiary taxpayer to subtract the death benefit payments received from an annuity contract that are subject to federal income taxation, for taxable years beginning on or after January 1, 2007. In order to qualify for this subtraction, a death benefit payment is required to meet the following criteria: 1) the death benefit payment is made pursuant to an annuity contract with an insurance company; 2) the payment must be awarded to the beneficiary in a lump sum; and 3) the payment must be subject to taxation at the federal level. The death benefit subtraction is not permitted for payments from a retirement plan.

51 Gains from Land Preservation

To the extent a taxpayer's federal gain includes gain or loss recognized on the sale or transfer of a Land Preservation Tax Credit, the taxpayer is required to subtract the gain or add back the loss on their Virginia return.

52 Certain Long-Term Capital Gains

Provided the long-term capital gain or investment services partnership income is attributable to an investment in a "qualified business" as defined in *Va. Code* §58.1-339.4 or any other technology business approved by the appropriate Secretariat, it may be allowed as a subtraction. Under current law, Secretary of Administration is the Secretariat charged with this approval. The business must have its principal facility in Virginia and less than $3 million in annual revenues for the fiscal year preceding the investment. The investment must be made between the dates of April 1, 2010, and June 30, 2020. Taxpayers claiming the Qualified Equity and Subordinated Debt Credit cannot claim this subtraction relating to investments in the same business. In addition, no investment is "qualified" for this deduction if the business performs research in Virginia on human embryonic stem cells.

53 Historic Rehabilitation

To the extent included in federal adjusted gross income, any amount of gain or income recognized by a taxpayer in connection with the Historic Rehabilitation Tax Credit is allowed as a subtraction on the Virginia return.

54 First-Time Home Buyer Savings Accounts

To the extent included in federal adjusted gross income, an individual may subtract any income attributable to a first-time home buyer savings account that was taxed as interest, capital gains, or other income for federal income tax purposes.

Distributions from a first-time home buyer savings account may only be used for the purpose of paying or reimbursing the down payment and allowable closing costs for the purchase of a single-family residence in Virginia by a qualified beneficiary. The subtractions claimed by an account holder in all prior taxable years are subject to recapture in the taxable year in which account funds are withdrawn for any other purpose even if the withdrawal occurred after the expiration of Virginia's 3-year statute of limitations.

To claim the subtraction, an individual must designate an account as a first-time home buyer savings account. An individual may designate an account by submitting documentation with their Virginia income tax return for the first taxable year in which such individual claims the subtraction. An individual must submit documentation for each account that they are designating. Include the following information:

- The name and address of the financial institution that maintains the account;
- The names of any other individuals with an ownership interest in the account;
- The account number or other account identifier;
- The type of principal (cash or marketable securities) contributed to the account as of the last day of the taxable year;
- The amount of principal and interest in the account as of the last day of the taxable year;
- The amount of any withdrawals from the account during the taxable year; and
- The account beneficiary or beneficiaries.

After designating an account as a first-time home buyer savings account, the account holder is required to include updated information for the account for all future taxable years in which he or she is required to file a Virginia income tax return. If an account holder has designated more than one existing first-time home buyer savings account, the account holder is required to submit updated information for each account. More information is available in the First-Time Home Buyer Savings Account Guidelines, which are available in the Laws, Rules & Decisions section of the Department's website at **www.tax.virginia.gov**.

55 Discharge of Student Loans

Effective for taxable years beginning on and after January 1, 2015, a subtraction is allowed for income attributable to the discharge of a student loan due to the student's death. For purposes of this subtraction, "student loan" means the same as the term is defined under IRC § 108(f). This is a loan to an individual to assist

DRAFT

that individual in attending an educational organization that was made by:

- The United States, or an instrumentality or agency thereof;
- A state, territory, or possession of the United States, or the District of Columbia, or any political subdivision thereof;
- Certain tax-exempt public benefit corporations that have assumed control over a state, county, or municipal hospital and whose employees are deemed public employees under state law;
- Charitable educational organizations, if the loan was made: pursuant to an agreement with one of the above-listed entities; or pursuant to a program designed to encourage its students to serve in occupations or areas with unmet needs, and under which the services provided by the students are for or under the direction of a governmental unit or certain tax-exempt organizations.

This subtraction is not applicable to the discharge of private loans. This subtraction does not apply to loans that are already excluded from federal income taxation.

58 Gain from Eminent Domain

For taxable years beginning on or after January 1, 2019, taxpayers may claim a subtraction for any gain recognized from the taking of real property by condemnation proceedings.

59 Federal Partnership Income Subtraction

Income related to a federal partnership audit may be subtracted from Virginia taxable income if the income was previously reported on the owner's Virginia return. The amount of the subtraction is equal to the federal taxable income that was included in the owner's Virginia original income tax return but should not have been reported. When claiming this subtraction, include a copy of the partnership's Form 502FED-1.

60 Military Benefits Subtraction

For taxable years beginning on and after January 1, 2024, certain military benefits received by an individual may be subtracted from Virginia taxable income. The maximum amount of the subtraction is $40,000 for Taxable Year 2025 and after. If a joint return is filed by two married members of the military both receiving qualifying benefits, each spouse would be able to take advantage of the maximum subtraction amount for his or her qualifying benefits. "Military benefits" are defined as any military retirement income received for service in the Armed Forces of the United States; qualified military benefits received pursuant to § 134 of the Internal Revenue Code regarding certain military benefits; benefits paid to the surviving spouse of a veteran of the Armed Forces of the United States under the Survivor Benefit Plan program established by the U.S. Department of Defense; and military benefits paid to the surviving spouse of a veteran of the Armed Forces of the United States. This subtraction is not allowed if a credit, exemption, subtraction, or deduction is claimed for the same income pursuant to any other provision of Virginia or federal law.

99 Other

Enter the amount of any other subtraction included in federal adjusted gross income which is not taxable in Virginia. If you are filing by paper, enclose an explanation and supporting documentation, if applicable. If you are filing electronically, provide a detailed explanation in the space provided by the software program.

Enclose an explanation for other subtractions.

Line 7 Total Subtractions

Add Lines 4 through 6d. Enter the sum in the box to the right and on Line 7 of Form 760.

Deductions from Income

Lines 8a-8c Deductions

On Lines 8a-8c, enter the 3-digit code, listed in the following table, in the boxes on Schedule ADJ, followed by the amount, for any deductions from Virginia adjusted gross income in the categories listed below.

Do not fill in the loss box unless you are claiming a bank franchise deduction (Code 112) or a business interest deduction recovery (Code 117). See the instructions at the end of this section.

Other Deductions for Lines 8a-8c

If you have more than 3 deductions on Lines 8a-8c of Schedule ADJ, use the supplemental Schedule ADJS to provide the code and amount for each deduction in excess of 3. Enter the total of all deductions on Line 9 of Schedule ADJ and fill in the oval at the bottom of the form. Be sure to enclose Schedule ADJS with your return.

Code Description

101 Child and Dependent Care Expenses

Enter the amount on which the federal credit for child and dependent care is based. This is the amount on federal Form 2441 that is multiplied by the decimal amount - up to $3,000 for one dependent and $6,000 for two or more. DO NOT ENTER THE FEDERAL CREDIT AMOUNT.

102 Foster Care Deduction

Foster parents may claim a deduction of $1,000 for each child residing in their home under permanent foster care, as defined in the *Code of Virginia*, provided that they claim the foster child as a dependent on their federal and Virginia income tax returns.

103 Bone Marrow Screening Fee

Enter the amount of the fee paid for an initial screening to become a possible bone marrow donor, provided you were not reimbursed for the fee and did not claim a deduction for the fee on your federal return.

104 Commonwealth Savers Account Contributions

If you are under age 70 on or before December 31 of the taxable year, enter the lesser of $4,000 or the

DRAFT

amount contributed during the taxable year to each Commonwealth Savers account (Prepaid529, Invest529, College America, CollegeWealth). If you contributed more than $4,000 per account during the taxable year, you may carry forward any undeducted amounts until the contribution has been fully deducted. However, if you are age 70 or older on or before December 31 of the taxable year, you may deduct the entire amount contributed during the taxable year. Only the owner of record for an account may claim a deduction for contributions made.

105 Continuing Teacher Education

A licensed primary or secondary school teacher may enter a deduction equal to 20% of unreimbursed tuition costs incurred to attend continuing teacher education courses that are required as a condition of employment, provided these expenses were not deducted from federal adjusted gross income.

106 Long-Term Health Care Premiums

Enter the amount of premiums paid for long-term health care insurance, provided you did not claim a deduction for long-term health care insurance premiums on your federal return. The Virginia deduction for long-term health care insurance premiums is completely disallowed if you claimed a federal income tax deduction of any amount for long-term health care insurance premiums paid during the taxable year.

107 Virginia Public School Construction Grants Program and Fund

Enter the amount of total contributions to the Virginia Public School Construction Grants Program and Fund, provided that you have not claimed a deduction for this amount on your federal income tax return.

108 Tobacco Quota Buyout

Allows a deduction from taxable income for payments received in the preceding year in accordance with the Tobacco Quota Buyout Program of the American Jobs Creation Act of 2004 to the extent included in federal adjusted gross income. For example, on your 2026 Virginia return you may deduct the portion of such payments received in 2025 that is included in your 2025 federal adjusted gross income; while payments received in 2026 may generate a deduction on your 2027 Virginia return. Individuals cannot claim a deduction for a payment that has been, or will be, subtracted by a corporation unless the subtraction is shown on a Schedule VK-1 you received from an S corporation. If you chose to accept payment in installments, the gain from the installment received in the preceding year may be deducted. If, however, you opted to receive a single payment, 10% of the gain recognized for federal purposes in the year that the payment was received may be deducted in the following year and in each of the 9 succeeding taxable years.

109 Sales Tax Paid on Certain Energy Efficient Equipment or Appliances

Allows an income tax deduction for 20% of the sales tax paid on certain energy efficient equipment or appliances, up to $500 per year. If filing a joint return, you may deduct up to $1,000.

110 Organ and Tissue Donor Expenses

Allows a deduction for unreimbursed expenses that are paid by a living organ and tissue donor that have not been taken as a medical deduction on the taxpayer's federal income tax return. The amount of the deduction is the lesser of $5,000 or the actual amount paid by the taxpayer. If filing a joint return, the deduction is limited to $10,000 or the actual amount paid.

111 Charitable Mileage

Enter the difference between 18 cents per mile and the charitable mileage deduction per mile allowed on Virginia Schedule A. If you used actual expenses for the charitable mileage deduction, and those expenses were less than 18 cents per mile, then you may use the difference between actual expenses and 18 cents per mile.

112 Virginia Bank Franchise Tax

A shareholder of a bank may be required to make certain adjustments to their federal adjusted gross income. Such adjustments are required only if the shareholder invests in a bank that (1) is subject to the Virginia Bank Franchise Tax for state tax purposes (see *Va. Code* § 58.1-1207) and (2) has elected to be taxed as a small business corporation (S corporation) for federal tax purposes.

Computation of Virginia Bank Franchise Tax Deduction

If an adjustment is required, complete the worksheet below to determine the amount of your adjustment. Enclose a copy of Schedule K-1 provided to you by the bank.

a. If your allocable share of the income or gain of the bank was included in federal adjusted gross income, enter the amount here. ..... _____

b. If your allocable share of the losses or deductions of the bank was included in federal adjusted gross income, enter the amount here..... _____

c. Enter the value of any distributions paid or distributed to you by the bank to the extent that such distributions were excluded from federal adjusted gross income. ..... _____

d. Add Line b and Line c..... _____

e. Subtract Line d from Line a. This is your net deduction amount. If this amount is negative you must enter the amount on Schedule ADJ, Line 8a and fill in the box marked "LOSS". _____

113 Income from Dealer Disposition of Property

Allows an adjustment for certain income from dealer dispositions of property made on or after January 1, 2009. In the year of disposition the adjustment will be a subtraction for gain attributable to installment payments

DRAFT

to be made in future taxable years provided that (i) the gain arises from an installment sale for which federal law does not permit the dealer to elect installment reporting of income, and (ii) the dealer elects installment treatment of the income for Virginia purposes on or before the due date prescribed by law for filing the taxpayer's income tax return. In subsequent taxable years the adjustment will be an addition for gain attributable to any payments made during the taxable year with respect to the disposition. In the years following the year of disposition, the taxpayer would be required to add back the amount that would have been reported under the installment method. Each disposition must be tracked separately for purposes of this adjustment.

114 Prepaid Funeral, Medical, Dental

You may be allowed a deduction of payments for (i) a prepaid funeral insurance policy that covers you or (ii) medical or dental insurance premiums for any person for whom you may claim a deduction for such premiums under federal income tax laws. To qualify for this deduction, you must be age 66 or older with earned income of at least $20,000 for the year and federal adjusted gross income not in excess of $30,000 for the year. The deduction is not allowed for any portion of premiums for which you have been reimbursed, have claimed a deduction for federal income tax purposes, have claimed another Virginia income tax deduction or subtraction, or have claimed a federal income tax credit or any Virginia income tax credit.

115 ABLEnow Account Contributions

Effective for taxable years beginning on or after January 1, 2016, you may claim a deduction for the amount contributed during the taxable year to an ABLEnow account. No deduction is allowed if such contributions are deducted on the contributor's federal income tax return. If the contribution to an ABLEnow account exceeds $2,000 the remainder may be carried forward and subtracted in future taxable years until the amount has been fully deducted; however, in no event shall the amount deducted in any taxable year exceed $2,000 per ABLEnow account. Deductions are subject to recapture in the taxable year or years in which distributions or refunds are made for any reason other than (i) to pay qualified disability expenses; or (ii) the beneficiary's death. A contributor who has attained age 70 is allowed a deduction for the full amount contributed to an ABLEnow account, less any amounts previously deducted.

116 Business Interest Deduction

Virginia conforms to the federal business interest limitation pursuant to § 163(j) of the Internal Revenue Code. Virginia allows individuals to claim a deduction of 20% of business interest disallowed for federal purposes. If claiming this deduction, enclose a copy of federal Form 8990.

117 Business Interest Deduction Recovery

Virginia conforms to the federal business interest limitation pursuant to § 163(j) of the Internal Revenue Code. As a result, individuals are allowed to claim a deduction on the Virginia return of 20% of business interest disallowed for federal purposes. If the increased amount that was allowed for Virginia purposes is allowed in subsequent years for federal purposes, it must be recovered on the Virginia return for the year in which the amount is later allowed as it is carried forward. Enter the amount being recovered as a negative number on Schedule ADJ, Line 8.

118 Deduction for Eligible Educators

For taxable years beginning on and after January 1, 2022, but before January 1, 2025, and for taxable years beginning on and after January 1, 2026, an individual income tax deduction is allowed of up to $500 for the amount actually paid or incurred for eligible educator qualifying expenses. An "eligible educator" is an individual who for at least 900 hours during the taxable year served as a Virginia licensed teacher, instructor, student counselor, special needs personnel, principal, or student aide for public or private primary and secondary school students in Virginia. "Qualifying expenses" are defined as 100 percent of the amount paid or incurred by an eligible educator during the taxable year for participation in professional development courses and the purchase of books, supplies, computer equipment (including related software and services), other educational equipment, and supplementary materials used directly in an individual's service to students as an eligible educator, provided that such purchases were neither reimbursed nor claimed as a deduction on the eligible educator's federal income tax return for the taxable year.

119 Utility Interconnect Triggering Project Expense Deduction

For taxable years beginning on and after January 1, 2026, you may claim a deduction for the amount paid or cost incurred for installing a qualifying upgrade required to interconnect a triggering project. No deduction is allowed for a taxpayer who has claimed a deduction under Va. Code § 58.1-402 for the same amount paid or cost incurred to install such qualifying upgrade. For purposes of this deduction, "qualifying upgrade" and "triggering project" have the same meanings as provided for those terms in Va. Code § 56-596.5.

199 Other

Enter the amount of any other deduction which you are entitled to claim. If you are filing by paper, enclose an explanation and supporting documentation, if applicable. If you are filing electronically, provide a detailed explanation in the space provided by the software program.

Line 9 Total Deductions:

Add Lines 8a through 8c and enter the total in the box. Enter this amount on Line 13 of your Form 760.

Tax Credit for Low-Income Individuals or Virginia Earned Income Tax Credit

You may be eligible to claim a Credit for Low-Income Individuals if your family's Virginia adjusted gross income (family VAGI) is equal to or less than the federal poverty

DRAFT

guidelines and you meet the Eligibility Requirements. You are eligible for the Virginia Earned Income Tax Credit if you claimed an Earned Income Tax Credit on your federal return.

For Taxable Years 2025 and 2026, new legislation increased the refundable portion of the Virginia Earned Income Tax Credit from 15% to 20%.

You can only claim one of these credits. Claim the credit that benefits you the most. Complete the entire section.

Eligibility Requirements: The above tax credits may **NOT** be claimed if you, your spouse, or any dependents claimed on your return or on your spouse's return claim any of the following:

- Age deduction
- Exemption for taxpayers who are blind or age 65 and over
- Virginia National Guard subtraction (Subtraction Code 28)
- Basic military pay subtraction (Subtraction Code 38)
- Federal & state employee subtraction (Subtraction Code 39) OR
- You are claimed as a dependent on another taxpayer's return.

Line 10 Compute your Family VAGI:

Enter your Social Security Number, name and Virginia adjusted gross income (VAGI) from Line 9, Form 760. For all married taxpayers, enter your spouse's Social Security Number and name, and then follow the instructions below for your filing status:

- **Filing Status 2, Married Filing Jointly:** If you entered the joint VAGI for both you and your spouse exactly as shown on Line 9, Form 760, of your joint return, you do not need to enter a separate VAGI for your spouse. If you entered only your portion of the VAGI from Line 9, Form 760, then enter your spouse's VAGI on your spouse's line. The sum of your VAGI and your spouse's VAGI should equal the joint VAGI amount shown on Line 9, Form 760.
- **Filing Status 3, Married Filing Separately:** To claim the credit, you are required to provide your spouse's VAGI. If your spouse is:
  - Filing a separate Virginia Form 760, enter the VAGI on Line 9, Form 760, from your spouse's return. Only one spouse may claim the Credit for Low-Income Individuals.
  - Not required to file Form 760 (for example, if your spouse is a nonresident), compute your spouse's VAGI as if your spouse is required to file Form 760 resident return and enter the amount on your spouse's line.

Enter the Social Security Number and name of each dependent claimed as an exemption on your return and, if any of your dependents had income, enter the VAGI for each dependent. **For Filing Status 3, Married Filing Separately,** also enter the Social Security Number and name for each of your dependents not claimed as an exemption on your return and, if any of the dependents had income, enter the VAGI for each dependent.

Add the VAGI amounts and enter the total. **This is your family VAGI.**

Line 11 Determine if you Qualify for the Credit for Low-Income Individuals:

Enter the number of family members listed in Line 10. If your family VAGI on Line 10 is equal to or less than the federal poverty amount for your family size, you are eligible to claim the Credit for Low-Income Individuals.

Poverty Guideline Table

Eligible Exemptions	Poverty Guidelines
1	$ 15,960
2	$ 21,640
3	$ 27,320
4	$ 33,000
5	$ 38,680
6	$ 44,360
7	$ 50,040
8	$ 55,720
* For each additional person, spouse and dependent exemption, add $5,680 to the Poverty Guidelines.	

Line 12 Exemptions to Compute Credit:

If you qualify for the Credit for Low-Income Individuals, enter the number of personal and dependent exemptions you reported on your Form 760. Do not include exemptions for age 65 or older and blind.

Line 13

Multiply Line 12 by $300. Enter the result on Line 13 and proceed to Line 14. If you do not qualify for the Credit for Low-Income Individuals but claimed an Earned Income Tax Credit on your federal return, enter $0 on Line 13 and proceed to Line 14.

Line 14

Enter the amount of Earned Income Tax Credit claimed on your federal return. If you did not claim this credit on your federal return, enter $0.

When a taxpayer using the married filing separately status computes the Virginia Earned Income Credit, the taxpayer must first determine their proportion of the earned income that was used to qualify for the federal Earned Income Tax Credit. That proportion must then be multiplied by the total Virginia Earned Income Credit, which is 20% of the federal Earned Income Tax Credit. The spouses may then claim their proportional shares of the credit on their separate returns.

Line 15 Reserved for Future Use.

Line 16a Reserved for Future Use.

Line 16b Multiply Line 14 by 20% (.20).

Line 17

Choose the credit option that benefits you the most. You may claim a refundable credit equal to the amount on Line

DRAFT

16b above OR a nonrefundable credit equal to the lesser of the amount on Line 13 above or the amount on Form 760, Line 18 reduced by any Credit for Tax Paid to Another State computed on Schedule OSC. Enter your credit amount here and on Line 23 of Form 760.

The sum of all nonrefundable credits claimed cannot exceed your tax liability on Line 18, Form 760.

Many low-income individuals who work and have earned income of $70,200 or less may also qualify for up to $8,231 in Federal Earned Income Credit when filing their federal tax return! See your federal instructions or call 1.800.829.3676 to order Pub. 596.

Addition to Tax, Penalty, and Interest

Line 18 Addition to Tax:

Use Form 760C to compute any addition to tax you may owe for underpayment of estimated taxes. Use Form 760F if at least 66 2/3% of your income is derived from farming, fishing and/or being a merchant seaman.

You will not owe an addition to tax if each payment is made on time and:

- you owe $1,000 or less in tax with your taxable year 2026 return.
- total withholding and timely estimated payments were at least 90% (66 2/3% for farmers, fishermen and merchant seamen) of your 2026 tax liability after nonrefundable credits **or** 100% of your 2025 tax liability after nonrefundable credits.
- you meet one of the exceptions computed on Form 760C or Form 760F. Enclose Form 760C or 760F showing the computation.

If you do not meet the criteria shown above, visit **www.tax.virginia.gov**, or refer to Form 760C or Form 760F.

Line 19 Penalty

The due date for filing a calendar year return is May 1, and the automatic extension provisions apply to returns filed by November 1. Depending on when you file your return, you may be required to compute an extension penalty or a late filing penalty. For more information on due dates and penalty provisions, refer to When to File Your Return on Page 4 of these instructions.

Extension penalty: If you file your return within 6 months after the due date and the amount of tax due with the return is more than 10% of your total tax liability, you must compute an extension penalty on the balance of tax due. The extension penalty is applied at the rate of 2% per month or part of a month, from the due date through the date your return is filed. The maximum extension penalty is 12% of the tax due. Note: If you do not pay the tax in full when you file your return, a late payment penalty will be assessed at the rate of 6% per month or part of a month from the date the return is filed through the date the tax is paid, to a maximum of 30%. If you file your return during the extension period, but do not pay the tax due when you file your return, both the extension penalty and the late payment penalty may apply. The extension penalty will apply from the due date of the return through the date the return is filed and the late payment penalty will apply from the date the return is filed through the date of payment. To avoid paying the late payment penalty during the extension period, you must pay any tax owed **when you file the return**.

Late filing penalty: If you file your return more than 6 months after the due date, no extension provisions apply and you must compute a late filing penalty of 30% of the tax due with your return.

Line 20 Interest:

If you filed a tax due return after the filing date, even if you had an extension, you are liable for interest on the tax due amount on Form 760, Line 27, from the due date to the date filed or postmarked. If you do not pay in full when you file the return, you may be subject to additional penalties and interest. To obtain the daily interest factor, please call 804.367.8031 or contact your locality.

Line 21 Addition to Tax, Penalty, and Interest:

Add Lines 18 through 20. Enter here and on Form 760, Line 32.

DRAFT

Lower your tax bill with two Virginia tax incentives

Save for higher education

- Start with just $10
- Deduct contributions up to $4,000 per account per year from your Virginia individual income tax
- Enjoy tax-free (federal and state) earnings for qualified higher education expenses

invest529®

Invest529.com | 1-888-567-0540

Save for disability expenses

- No minimum initial contribution
- Deduct contributions up to $2,000 per contributor per year from your Virginia individual income tax
- Enjoy tax-free (federal and state) earnings for qualified disability expenses

ABLEnow®

ABLEnow.com | 1-844-669-2253

Call above listed numbers or visit above listed websites to obtain all program materials. Read them carefully before investing. An investor should consider the investment objectives, risks, charges, and expenses of the programs before investing. For non-Virginia residents: before investing in a 529 plan, consider whether you or the beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds, and protections from creditors that are only available for investments in that state's qualified tuition program. For non-Virginia residents: other states may sponsor an ABLE plan that offers state tax or other benefits not available through ABLEnow. © 2026 Commonwealth Savers Plan. All Rights Reserved.

Schedule VAC Line Instructions

Part I Commonwealth Savers Contributions

You may contribute all or part of your income tax refund to one or more existing Commonwealth Savers (formerly Virginia529) accounts by completing Schedule VAC. Any contribution(s) made will be deemed a contribution to a Commonwealth Savers account(s) for the 2026 taxable year.

Commonwealth Savers administers flexible, affordable, and tax-advantaged education plans through its programs: Prepaid529, Invest529, CollegeAmerica and CollegeWealth. For more information on establishing accounts, visit Invest529.com. You are not required to be the owner of record for an account in order to direct a contribution of all or part of your income tax refund. However, only the account owner of record as of December 31st is eligible to take the Virginia state tax deduction associated with the education savings accounts. Note: the CollegeWealth and Prepaid529 programs are no longer accepting new accounts, but existing account owners may continue to contribute to their current CollegeWealth accounts and Prepaid529 contracts.

Additionally, Commonwealth Savers administers ABLEnow and ABLEAmerica tax-advantaged ways to save, invest and pay for qualified disability expenses for eligible individuals with certain disabilities. Generally, funds in an ABLE account are disregarded when determining eligibility for certain Federal means-tested benefits programs, such as Medicaid and Supplemental Security Income (SSI), and for Commonwealth of Virginia means-tested benefits programs as well. For information on the ABLEnow or ABLEAmerica program, visit Ablenow.com. You are not required to be the owner of record for an ABLEnow or ABLEAmerica account in order to direct a contribution of all or part of your income tax refund and the contributor is eligible to take the Virginia state tax deduction associated with either of these accounts.

When you specify a Commonwealth Savers contribution amount on Schedule VAC, you authorize the Department to transfer payment and related information to Commonwealth Savers to facilitate crediting contributions to the specified account(s) pursuant to their operating procedures. The information that will be exchanged is identified below:

- The contribution amounts and the program information contained on Schedule VAC.
- The taxpayer's name, Social Security Number or tax identification number, address and telephone number. Note: Information for both spouses will be provided if a joint return is filed.

For purposes of determining interest on an overpayment or refund, no interest will accrue after the Department transfers the payment to Commonwealth Savers. If Commonwealth Savers is unable to match a contribution to an existing account, they will contact the taxpayer and attempt to resolve the contribution and, if all efforts fail, Commonwealth Savers will return the refund contribution to the taxpayer at the address on the return.

Part I, Section A

Enter the overpayment amount computed on your return less the amount credited to estimated tax for next year.

Part I, Section B

For each contribution, provide the Program Type Code (see codes below), beneficiary's last name and account number. In addition, provide the proper account number and routing number if you are contributing to a CollegeAmerica or ABLEAmerica account by contacting your financial advisor for this information. For contributions to Prepaid529, Invest529 or CollegeWealth, use your program account number for each. For contributions to ABLEnow accounts, use your ABLEnow account number for each.

Program Type Codes

1 = Invest529
2 = Prepaid529
3 = CollegeWealth
4 = CollegeAmerica or ABLEAmerica
5 = ABLEnow

If contributing to more than 5 accounts, use the supplemental schedule, Schedule VACS, to provide the information for additional accounts.

Part II Other Voluntary Contributions

Complete this section to contribute to one or more other voluntary contribution organizations listed in the income tax instructions.

For information on these organizations, see "Voluntary Contribution Information" in the next section.

Section A, Line 1

Enter the overpayment amount computed on your return less the amount credited to estimated tax for next year and the amount of Commonwealth Savers contributions from Part I.

Section B, Voluntary Contributions from your refund

Lines 2-4 You may voluntarily donate all or part of your tax refund to one or more qualifying organizations. Enter the contribution code(s) and amount(s) you are donating in the boxes. If you want to donate to more than 3 organizations, enter "00" and the total amount donated to the organizations on Line 2. Enclose a schedule showing the organization code, name and amount donated to each.

60 Virginia Nongame & Endangered Wildlife Program
61 Democratic Political Party
62 Republican Political Party
64 Virginia Housing Program
65 Department for Aging and Rehabilitative Services (Transportation Services for the Elderly and Disabled Fund)
67 Virginia Commission for the Arts Fund
68 Open Space Recreation & Conservation Fund
78 Children of America Finding Hope
84 Virginia Federation of Humane Societies
86 Spay and Neuter Fund
88 Virginia Cancer Centers

DRAFT

Lines 5-7 Library Foundations: Use this section if you wish to contribute to one or more Library Foundations. If you want to donate to more than 3 organizations, enter code "999999" and the total amount donated to the organizations on Line 5. Enclose a schedule showing the organization code, name and amount donated to each.

For Library Foundations, enter the 6-digit code from the lists starting on Page 31.

Section C, Voluntary Contributions Made From Your Refund OR Tax Payment

Lines 8-10 You may make a payment to the following organizations even if you owe a tax balance or if you wish to donate more than your expected refund.

If you want to donate to more than 3 organizations, enter code "00" and the total amount donated to the organizations on Line 8. Enclose a schedule showing the organization code, name and amount donated to each.

- **11** Federation of Virginia Food Banks
- **21** Wildlife Corridor Grant Fund
- **71** Chesapeake Bay Restoration Fund
- **72** Family & Children's Trust Fund (FACT)
- **73** Virginia's State Forests Fund
- **92** Virginia Military Family Relief Fund (MFRF)
- **93** Endowment Fund of the Board for the Blind and Visually Impaired

Lines 11-13 Public School Foundations: You may contribute to Public School Foundations even if you owe a tax balance or if you wish to donate more than your expected refund. If you want to donate to more than 3 organizations, enter code "999999" and the total amount donated to the organizations on Line 11. Enclose a schedule showing the organization code, name and amount donated to each.

For Public School Foundations, enter the 6-digit code from the lists starting on Page 32.

Section D, Line 14 Total Voluntary Contributions

Enter the total of Lines 2 through 13. Enter this amount on Line 31 of Form 760.

Donate to the General Fund by writing a check to the State Treasurer and designating it as a donation to the Commonwealth's General Fund. You must enclose your payment with Form GFD. Visit **www.tax.virginia.gov** or call **804.367.8031** to obtain this form.

You can make a contribution directly to any of the organizations listed above. For more information about these groups, including how you can make a contribution, see below.

Voluntary Contribution Organizations

You may contribute to these organizations with your return or send your contributions directly to the organizations at the addresses provided. Following is a brief description of the services provided by the organizations eligible for voluntary contributions.

Code Description

11 Federation of Virginia Food Banks

The Federation of Virginia Food Banks, a partner state association of Feeding America is the largest hunger relief network in the Commonwealth of Virginia. The Federation is composed of the 7 regional Virginia and Washington DC food banks, consisting of facilities in 14 strategic locations. The primary mission of the food banks is to improve nutrition security and empower strong, healthy communities in partnership with more than 1,100 local organizations throughout the Commonwealth. In addition, the Federation coordinates the distribution of food and supplies to victims of disasters and emergencies on behalf of Virginia's food banks.

Federation of Virginia Food Banks
8020 Villa Park Drive, Richmond, VA 23228
www.vafoodbanks.org

21 Wildlife Corridor Grant Fund

The Virginia Wildlife Corridor Action Plan is a statewide strategy for conserving and reconnecting wildlife habitat corridors and for investing in wildlife crossing road projects to reduce wildlife-vehicle collisions. The Wildlife Corridor Grant Fund provides grants for projects aligned with this plan. Funded projects will provide conservation, transportation, and human safety benefits including conserving and enhancing wildlife corridors; installing wildlife crossings under and over roads; restoring habitat connectivity for rare and at-risk species; improving aquatic organism passage at road-stream crossings; and making roads safer for people and wildlife. The Department of Wildlife Resources administers this fund in consultation with the Departments of Transportation, Conservation and Recreation, and Forestry.

Virginia Department of Wildlife Resources,
7870 Villa Park Drive, Suite 400, Henrico, VA 23228,
804.367.1000,
www.dwr.virginia.gov/wildlife/corridors/

60 Virginia Nongame & Endangered Wildlife Program

This fund provides for research, management and conservation of nongame wildlife species and habitats, including those listed by state or federal agencies as Endangered or Threatened and those identified as Species of Greatest Conservation Need in Virginia's Wildlife Action Plan.

Department of Wildlife Resources, Non-Game
Donation, P.O. Box 90778, Henrico, VA, 23228-0778
www.dwr.virginia.gov, 804.481.5296

61 & 62 Political Party

Each taxpayer may contribute up to $25 to one of the following qualified parties: Democratic Party (code 61) or Republican Party (code 62).

64 Virginia Housing Program

Supports locally-based organizations providing housing assistance to the low-income; elderly persons with

DRAFT

mental or physical disabilities; and provides assistance for emergency, transitional, and permanent housing for the homeless.

Department of Housing & Community Development, Check-Off for Housing Programs
Main Street Centre, 600 East Main Street
Suite 1100, Richmond, VA 23219, 804.371.7000

65 Transportation Services for the Elderly and Disabled Fund

Provides funding to local agencies such as Area Agencies on Aging (AAAs), Centers for Independent Living (CILs), and other nonprofit organizations to improve or expand transportation services for older Virginians and individuals with disabilities who cannot drive or access safe, reliable transportation. Services support daily activities that promote health and wellbeing, including but not limited to medical appointments, employment, and other essential trips.

Department for Aging and Rehabilitative Services
5620 Cox Road, Glen Allen, VA, 804.662.9309

67 Virginia Commission for the Arts Fund

To invest in the arts in the Commonwealth of Virginia, as set forth in *Va. Code* § 23.1-3227.

Virginia Commission for the Arts Fund
c/o Virginia Commission for the Arts
Reid's Row, 219 Governor Street, 3rd Floor
Richmond, VA 23219, arts@vca.virginia.gov
www.vca.virginia.gov, 804.225.3132

68 Open Space Recreation and Conservation Fund

These funds are used by the Department of Conservation and Recreation to acquire land for recreational purposes and preserve natural areas; to develop, maintain and improve state parks and to provide matching outdoor recreation grants to localities.

Virginia Department of Conservation & Recreation
Open Space Recreation & Conservation Fund
600 East Main Street, 24th Floor
Richmond, VA 23219, 804.887.7311

71 Chesapeake Bay Restoration Fund

More than half of Virginia's lands drain into the Chesapeake Bay. This fund is used to help meet needs identified in the state's clean up plan for the Bay and the waters that flow into it.

Virginia Secretary of Natural and Historic Resources
1111 East Broad Street, Richmond, VA 23219
804.786.0044

72 Family and Children's Trust Fund

Contributions support the prevention and treatment of family violence in local communities and through statewide public awareness projects and activities. Family violence includes child abuse and neglect, domestic violence, dating violence, sexual assault, and elder abuse and neglect.

Family and Children's Trust Fund
5600 Cox Road
Glen Allen, VA 23060
familyandchildrens.trustfund@dss.virginia.gov
www.fact.virginia.gov, 804.310.1520

73 Virginia's State Forests Fund

State Forests are self-supporting and managed to sustain multiple natural resources and values [benefits]. Conservation practices protect wetlands, enhance critical wildlife habitat and preserve unique natural areas for biodiversity and provide long-term applied research for restoration and reforestation of native species. Demonstration areas provide private forest landowners with practical, effective solutions to resource management challenges. Recreation opportunities and conservation educational programs are available statewide in all seasons to any age or experience level. State Forests are open to the public without fee for hiking, bird watching and nature observation. Horseback riding, mountain bike riding, fishing, hunting and trapping are allowed on certain state forests with a use permit.

Virginia Department of Forestry
Attn: State Forest Fund
900 Natural Resources Drive, Suite 800
Charlottesville, VA 22903, 434.977.6555

78 Children of America Finding Hope, Inc.

Uses proven strategies and programs to meet emotional and physical needs of children who are disadvantaged, runaways, in crisis and delinquent by providing hope in a tangible form regardless of religion, race, gender, or socioeconomic status.

642 Scenic Lakeview Drive, Spring City, TN 37381
www.childrenfindinghope.org, 276.608.2006

84 Virginia Federation of Humane Societies

The Virginia Federation of Humane Societies (VFHS) is the oldest animal welfare organization in the state. Founded in 1959, VFHS brings together public and private animal shelters, humane societies, rescue groups, sanctuaries, animal control agencies, veterinarians, animal caregivers, and individual supporters working to improve animal welfare across Virginia.

VFHS supports collaborative, community-based solutions that increase positive outcomes for animals and the people who care for them. Through advocacy, education, partnerships, and direct program support, VFHS works to strengthen the capacity of animal welfare organizations and promote progressive, humane practices statewide. VFHS also provides professional development, networking opportunities, and educational resources that support continued growth and innovation within Virginia's animal welfare community.

OUR PROGRAMS

Save VA Pets recognizes that sustainable lifesaving extends beyond the walls of shelters or rescues and into the communities they serve. This program provides

DRAFT

support through spay/neuter initiatives, transport assistance, training, education and guidance on policies and practices that increase positive outcomes and address the unique needs of individual communities. **High Five VA** is dedicated to increasing positive outcomes for healthy and treatable animals through collaborative transport partnerships across Virginia. By transferring animals from under-resourced communities to areas with greater adoption capacity, the program helps reduce length of stay, expand adoption opportunities, and support lifesaving efforts statewide.

Spay Virginia works with shelters, rescue groups, veterinarians, and local governments to improve access to affordable and convenient spay/neuter services throughout Virginia. By reducing barriers to care, the program helps prevent unwanted litters and supports long-term community animal welfare solutions.

MISSION STATEMENT

The Virginia Federation of Humane Societies (VFHS) provides progressive leadership, advocacy, resources and support to individuals and organizations committed to improving animal welfare and addressing the issues of animal abuse, neglect, and homelessness in the Commonwealth.

Virginia Federation of Humane Societies, Inc.
P.O. Box 125, Colonial Beach, VA 22443,
info@vfhs.org www.vfhs.org

86 Spay and Neuter Fund

All moneys contributed shall be paid to the Spay and Neuter Fund for use by localities in the Commonwealth for providing low-cost spay and neuter surgeries through direct provision or contract or each locality may make the funds available to any private, nonprofit sterilization program for dogs and cats in such locality. The Tax Commissioner shall determine annually the total amounts designated on all returns from each locality in the Commonwealth, based upon the locality that each filer who makes a voluntary contribution to the Spay and Neuter Fund lists as their permanent address. The State Treasurer shall pay the appropriate amount to each respective locality.

88 Virginia Cancer Centers

Virginia is fortunate to have two National Cancer Institute-designated Cancer Centers to serve the people of the Commonwealth: the VCU Massey Cancer Center and the University of Virginia Cancer Center. These two Cancer Centers work together to deliver the leading edge in contemporary cancer care in a supportive and compassionate environment, and to change the future of cancer care through research. Your contribution will enable us to help cancer patients today, and those who will be cancer patients in the future.

University of Virginia Cancer Center,
P.O. Box 800773
Charlottesville, VA 22908-0773
www.supportuvacancer.org, 434.924.8432

VCU Massey Cancer Center
Virginia Commonwealth University,
P.O. Box 843042, Richmond, VA 23284
www.massey.vcu.edu, 804.828.1450

92 Virginia Military Family Relief Fund (MFRF)

The Military Family Relief Fund (MFRF) was established in 2006, with support from the Virginia Legislature. This is a quick response grant program to assist military and family members of the Virginia National Guard and the United State Reserve Components who are residents of Virginia, and, called to extended federal active duty for periods in excess of 90 days and up to 180 days after their return. As well as those missions in support of Virginia civil authorities, including state active duty and federal defense support to civil authority missions, for periods in excess of 30 days. The Military Family Relief Fund assists military families with urgent or emergency needs relating to living expenses including but not limited to food, housing, utilities and medical services. Each need is considered on its own merit.

Virginia National Guard Military and Family Programs
6090 Strathmore Road, Building 430
Richmond, VA 23237, 804.430.0227

93 Endowment Fund of the Board for the Blind and Visually Impaired

The Virginia Board for the Blind and Vision Impaired ("Board") acts in an advisory capacity on the delivery of public services to and the protection of the rights of blind, visually impaired, deafblind and other persons with disabilities. The Board also holds an institutional fund, referred to as the Endowment, into which it deposits any gift, grant, bequest, allotment, or devise of any nature received from private sources. The fund helps the Board provide services to people who are blind, visually impaired, or deafblind achieve their goals for education, employment, and personal independence by providing services such as vocational evaluation, job training, job development and job placement.

Virginia Board for the Blind and Visually Impaired
397 Azalea Avenue
Richmond, VA 23227
804.371.3140
Toll Free: 800.622.2155
BoardLiaison@dbvi.virginia.gov

Library Foundations

Use the list of library foundations below to choose recipients for your voluntary contributions. Enter the contribution codes(s) for the receiving organization(s) and your contribution amount on Schedule VAC, Section II, Other Voluntary Contributions.

Code	Foundation Name
200101	Alexandria Library Foundation, Inc.
200501	John Randolph Foundation – Appomattox Regional Library System Endowment
200701	Friends of the Arlington County Library

DRAFT

Code	Foundation Name
200901	Friends of the Augusta County Library Foundation
201101	Bedford Public Library System Foundation, Inc.
201501	Blue Ridge Regional Library Foundation
201901	Bristol Public Library Foundation
202101	The Friends of the Buchanan County Public Library
202301	Campbell County Public Library Foundation
202701	Friends of the Central Rappahannock Library
202901	Central Virginia Regional Library
203101	Alleghany Highlands Regional Library Foundation
203301	Friends of the Charlotte County Library
203501	Chesapeake Public Library Foundation
203701	Friends of the Chesterfield Public Library
204301	Craig County Public Library
204501	Culpeper Library Foundation
205101	Eastern Shore Public Library Foundation
205501	Fairfax Library Foundation
205701	Friends of Fauquier Library
205901	Fluvanna County Library
206101	Franklin County Library Foundation
206301	Galax-Carrol Regional Library Foundation
206502	Gloucester County Friends of the Library
206901	Hampton Public Library Foundation
207101	Handley Regional Library Endowment
207301	Friends of Henrico County Public Library
207701	Highland County Library, Inc.
208501	Friends of Jefferson-Madison Regional Library Endowment Fund
208701	Lancaster Community Library
209301	Friends of the Lonesome Pine Regional Library Corporation
208901	Friends of the Smoot Library (FOSL)
209101	The Library of Virginia Foundation
209501	Loudoun Library Foundation, Inc.
209502	Friends of Gum Spring Library
209701	Friends of the Lynchburg Public Library Endowment Fund
209901	Madison County Library, Inc.
210102	Mary Riley Styles Public Library Foundation, Inc. (Falls Church City Library)
210301	Massanutten Regional Library
210901	Middlesex County Public Library
211101	Montgomery-Floyd Regional Library Foundation, Inc.
211102	Floyd County Library Building Fund, Inc.
211301	Friends of the Newport News Public Library
211302	Newport News Public Library System Foundation
211501	Norfolk Public Library Foundation
211701	Northumberland Public Library
211901	Friends of the Library Blackstone VA
212101	Orange County Library Foundation
212501	Friends of the Pearisburg Public Library
212701	The Petersburg Library Foundation, Inc.
212901	Pittsylvania Public Library Foundation (PPL)
213301	Portsmouth Public Library Foundation, Inc.
213501	Friends of the Powhatan Public Library
213701	Prince William Public Library System Foundation
213901	Pulaski County Library System Fund
214101	Lamplighters Inc. (Radford)
214301	Friends of the Rappahannock County Library
214501	Richmond Public Library Foundation (City)
214901	Roanoke Public Library Foundation (City)
215101	Friends of the Roanoke County Public Library
215301	Rockbridge Regional Library Foundation
215701	Friends of Salem Library
215902	Samuels Public Library, Inc.
216101	Shenandoah County Library Foundation
216503	Mecklenburg County Public Library Foundation, Inc.
216701	Staunton Library Foundation, Inc.
216901	Friends of the Suffolk Library
217101	Tazewell County Public Library Foundation
217302	Virginia Beach Library Foundation
217303	Friends of the Virginia Beach Public Library
217501	Washington County Public Library Foundation
217901	Friends of Williamsburg Regional Library Foundation
218301	York County Library Foundation

Public School Foundations

Use the list of public school foundations below to choose recipients for your voluntary contributions. Enter the contribution codes(s) for the receiving organization(s) and your contribution amount on Schedule VAC, Section II, Other Voluntary Contributions.

Code	Foundation Name
003002	Albemarle Foundation for Education
009001	Amherst County Public Schools Education Foundation, Inc.
015001	Augusta County Public School Endowment Fund
019001	The Bedford Area Educational Foundation
023001	Botetourt County Public Schools Education Foundation, Inc.
520001	Bristol Virginia Public Schools Education Foundation
530001	Blues Education Foundation, Inc. (Buena Vista)
029001	Buckingham County Educational Foundation, Inc.
031001	Campbell County Educational Foundation
033001	Caroline County Public Schools Education Foundation, Inc.
036001	Charles City Educational Foundation, Inc.
550002	Chesapeake Public Schools Educational Foundation
041001	Chesterfield Education Foundation
043001	Clarke County Education Foundation, Inc.
570001	Colonial Heights Education Foundation for Excellence
045001	Craig County Educational Foundation
049001	Cumberland County Public Schools Foundation
590001	Danville Public Schools Education Foundation, Inc.

DRAFT

Code	Foundation Name
051001	Dickenson County Public Schools
053001	Dinwiddie County Educational Foundation
059002	Educate Fairfax
610001	Falls Church Education Foundation
061001	Fauquier Education Foundation
067001	Franklin County Public Schools Education Foundation, Inc.
069001	Frederick County Educational Foundation
630001	Fredericksburg Education Foundation
073001	Gloucester County Public Schools Educational Foundation, Inc.
075001	Goochland Educational Foundation
079002	Greene Education Foundation
081001	Greensville County Education Foundation
083001	Halifax County Public Schools Education Foundation
650001	Hampton Educational Foundation
085001	Hanover Education Foundation
660001	The Harrisonburg Education Foundation
087001	Henrico Education Foundation, Inc.
093001	Education Foundation for Isle of Wight Public Schools, Inc.
101001	King William Public Schools Education Foundation, Inc.
103001	Lancaster County Virginia Education Foundation
678002	Community Foundation for Rockbridge, Bath and Alleghany-Lexington
107001	The Loudoun Education Foundation, Inc.
680001	The Lynchburg City Schools Education Foundation, Inc.
113001	Madison County Education Foundation, Inc.
683001	Manassas City Public Schools Education Foundation
685001	Manassas Park Education Foundation
117001	Mecklenburg County Business Education Partnership
121001	Montgomery County Educational Foundation
700001	Newport News Educational Foundation
139001	Page County Education Foundation
143001	Pittsylvania Vocational Education Foundation, Inc.
735001	Poquoson Education Foundation
740001	Portsmouth Schools Foundation
145001	Powhatan Education Foundation
147001	Prince Edward Public School Endowment, Inc.
149001	Prince George Alliance for Education Foundation, Inc.
153001	Prince William County Public Schools Education Foundation
155001	Pulaski County Public Schools Education Foundation
157002	Rappahannock County Public Schools
750002	Radford City Schools Partners for Excellence Foundation, Inc.
760001	Richmond Public Schools Education Foundation, Inc. (City of Richmond)
159002	Richmond County Education Foundation
770001	Roanoke City Public Schools Education Foundation, Inc.
161001	Roanoke County Public Schools Education Foundation, Inc.
165001	Rockingham Educational Foundation, Inc.
167001	Russell County Foundation for Scholarships
775001	Salem Educational Foundation and Alumni Association
169001	Southwest Virginia Public Education Foundation, Inc.
171002	Moore Educational Trust (Shenandoah County)
171001	Shenandoah Education Foundation, Inc.
179001	Stafford Education Foundation, Inc.
790001	Staunton City Public Schools Endowment Fund
800001	Suffolk Education Foundation, Inc.
183001	Sussex Educational Foundation, Inc.
810001	Virginia Beach City Public Schools Education Foundation
187001	Warren County Educational Endowment, Inc.
820001	Waynesboro City Public Schools Foundation
193002	Westmoreland County Public Schools Education Foundation
830002	Williamsburg/James City Education Foundation
840001	Winchester Education Foundation
195002	Wise County Schools Educational Foundation
197001	Wythe County Public Schools Foundation for Excellence, Inc.
199001	York Foundation for Public Education

Credit for Taxes Paid to Another State

As a Virginia resident, all of your income is subject to the Virginia Individual Income Tax, regardless of where it was earned or its source. However, if you received income from another state and are required to file a nonresident return in that state and pay income taxes, you may be eligible to receive a credit for the taxes paid to the other state.

When an individual is an actual resident of one state, but is a domiciliary resident of another state, both states will usually require a resident return. In that case, the domiciliary state will generally allow a credit for taxes paid to the state of actual residence.

This credit applies only to income taxes paid to other states. For more information, see *Va. Code* § 58.1-332 or visit **www.tax.virginia.gov**.

Exceptions

Arizona, California, or Oregon If you have income from one of these states, do not claim the credit for tax paid on the income on your Virginia income tax return. If you have income from Arizona, California, or Oregon, claim the credit on the nonresident income tax return of that other state.

However, if you are an owner of a pass-through entity with income from Arizona, California, or Oregon and you participate in the filing of a composite return with any of those states, please consult Public Documents 16-91 and 07-207.

District of Columbia If you have income from the District of Columbia, do not claim the credit for tax paid on the income on your Virginia income tax return. If you paid individual income tax to the District, follow their instructions to obtain a refund of your withholding.

DRAFT

Kentucky, Maryland, Pennsylvania, or West Virginia If you are a Virginia resident with wages, salaries and certain other compensation income earned as a nonresident in one of these four states, you are not eligible to claim the credit for any income not taxable by the other state.

Before claiming this credit, review the other state's nonresident instructions to determine if your wages, salaries and certain other compensation income are exempt from taxation in that state. If your wages, salaries and certain other compensation income are exempt, follow the other state's instructions to obtain a refund of your withholding.

A credit can be claimed on your Virginia return only for income taxes paid to any of the four states listed above on income that was not exempt income.

Special Circumstances

Border State Computation Kentucky, Maryland, North Carolina, or West Virginia

If you are required to file a return with Virginia and only one other state and that state is listed above, you may qualify for a special computation if:

- The income from that state consists solely of wages, salaries, or business income from federal Schedule C that is taxed by the state; **and**
- Your Virginia Taxable Income is at least equal to the Qualifying Taxable Income on the border state's return; then
- Mark the border state oval and enter "100.0" in the Income Percentage field.

When calculating income from the border state, do not include income exempt from income tax in the border state, even if it is earned or business income from federal Schedule C. Refer to the **Exceptions** section above.

If filing a joint return and each spouse filed a return separately in **only one** other state and that state is listed above, then each spouse may use the border state computation to compute the credit.

Married Taxpayers

Unless a joint return is filed in both Virginia and the other state, you may need to adjust your taxable income to compute the credit correctly.

- If you filed separately in the other state, but jointly in Virginia, enter only the Virginia taxable income attributable to the filer whose income was taxed by the other state.
- If you filed jointly in the other state, but separately in Virginia, enter only the taxable income attributable to that filer from the other state's return.
- If both spouses are included in the same composite return or entitled to a credit for corporation income tax paid by an S corporation in which both spouses are shareholders, each spouse must compute income and credits separately.

Elective Pass-Through Entity Tax

Legislation enacted by the 2022 General Assembly established a new Virginia elective pass-through entity (PTE) tax. Beginning with taxable year 2021, the new law also allows taxpayers to claim a credit in proportion to their ownership interest in the PTE for certain taxes paid by the PTE. The tax must have been paid by a PTE under the law of another state that is substantially similar to Virginia's elective PTE tax law. For additional PTE legislation enacted by the 2023 General Assembly, See Tax Bulletin 23-3.

Required Documentation

- A separate computation and related documentation must be submitted for each state for which a credit is claimed using Schedule OSC.
- Enclose a copy of the other state's return if the taxpayer filed an individual return in the other state
- If you are an owner or shareholder in a pass-through entity, and you elected to be included in a nonresident composite return filed by the pass-through entity in another state, enclose a Composite Filing Statement from the pass-through entity that documents your inclusion in the filings and your share of the income, tax liability, and tax paid.
- If claiming a credit on corporation income tax paid to a state that does not recognize the federal S corporation election, enclose a statement from the S corporation that documents your share of the income, tax liability, and tax paid.
- If you are an owner in a pass-through entity that paid an eligible PTE tax to another state, enclose a statement from the PTE that documents your share of the income, tax liability, and tax paid.

W-2s, 1099s, and Schedules K-1 are not acceptable documentation to support the credit. Visit our website for a list of required forms and a sample Composite Filing Statement.

Schedule OSC Line Instructions

Line 1 Filing Status

1. Enter the code for the filing status on the other state's return.
2. Single
3. Married Filing Jointly
4. Married Filing Separately
5. Composite/Unified
6. Other (including Corporation Income Tax paid by an S Corporation and Eligible PTE Tax)

Line 2 Claiming Credit

Enter the code to identify the person claiming the credit:

1. You
2. Spouse
3. You and Spouse (Not for Composite or Corporation Filing Status)

DRAFT

Line 3 Qualifying Taxable Income

Enter the total taxable income from the following categories that apply to you, to the extent that the income was subject to tax by both Virginia and another state:

- Earned or business income;
- Gain from the sale of any capital asset not used in a trade or business, including a residence; and
- Income on which corporation income tax was paid to a state that does not recognize the federal S corporation election; and
- Income on which an eligible PTE tax was paid to another state on your behalf.

If nonqualifying income is included in the taxable income of the other state, recompute the qualifying taxable income and qualifying tax liability with that income removed. Examples of nonqualifying income include lottery or gambling winnings and unemployment compensation. Additions to federal adjusted gross income or federal taxable income required by the other state are also nonqualifying income unless those items are specifically included in Virginia taxable income.

If the other state's tax is computed on total taxable income from all sources and then reduced by an allocation percentage, enter the reduced taxable income. Visit our website for a complete list of states that require this calculation.

Line 4 Virginia Taxable Income

Enter the Virginia taxable income from Line 15 of Form 760. Married taxpayers, see Special Circumstances above.

Line 5 Qualifying Tax Liability

Enter the net tax liability after nonrefundable credits reported on the other state's return. Married taxpayers, include only the tax on the income from Line 3.

Note: Only state income tax on earned, business, and capital gain income should be included on Line 5.

Line 6 Identify the State

Enter the 2-character postal abbreviation for the state.

Line 7 Virginia Income Tax

Enter your Virginia income tax from Line 18 of Form 760. Married taxpayers, include only tax on the income from Line 4.

Line 8 Income Percentage

Divide Line 3 by Line 4. Compute the percentage to one decimal place. If the result is greater than 100%, enter 100%. If the result is less than 0.1%, enter 0.1%.

If you qualify see Border State Computation under Special Circumstances.

Line 9 Virginia Ratio

Multiply Line 7 by Line 8.

Line 10 Credit

Enter the lesser of Line 5 or Line 9.

If claiming more than one credit, continue to Line 11 of Schedule OSC. Enter the total of all credits on Line 24 of Form 760. The sum of all nonrefundable credits claimed cannot exceed your tax liability on Line 18 of Form 760.

About Virginia Schedule CR

Complete Schedule CR and enclose it with your return to claim any credits that do not appear on Form 760 or Schedule ADJ. Enter the amount from Section 5, Part 1, Line 1A of Schedule CR on Line 25 of Virginia Form 760. Required enclosures are listed on Schedule CR. The credits that can be claimed against individual income tax and are reported on Virginia Schedule CR are listed below. For more information, call **804.367.8031** or visit the Department's website at **www.tax.virginia.gov**.

- Trust Beneficiary Accumulation Distribution Tax Credit
- Enterprise Zone Act Tax Credit (carryover only)
- Neighborhood Assistance Act Tax Credit
- Recyclable Materials Processing Equipment Tax Credit
- Vehicle Emissions Testing Equipment Tax Credit
- Major Business Facility Job Tax Credit
- Foreign Source Retirement Income Tax Credit
- Historic Rehabilitation Tax Credit
- Qualified Equity and Subordinated Debt Investments Tax Credit (carryover only)
- Waste Motor Oil Burning Equipment Tax Credit
- Biodiesel and Green Diesel Fuels Tax Credit
- Livable Home Tax Credit (formerly Home Accessibility Features for the Disabled)
- Riparian Waterway Buffer Tax Credit
- Land Preservation Tax Credit
- Communities of Opportunity Tax Credit (carryover only)
- Green and Alternative Energy Job Creation Tax Credit (carryover only)
- Farm Wineries and Vineyards Tax Credit
- International Trade Facility Tax Credit (carryover only)
- Port Volume Increase Tax Credit (carryover only)
- Barge and Rail Usage Tax Credit (carryover only)
- Education Improvement Scholarships Tax Credit
- Major Research and Development Tax Credit (carryover only)
- Food Donation Tax Credit
- Worker Training Tax Credit (carryover only)
- Virginia Housing Opportunity Tax Credit
- Hardwood Initiative Tax Credit (carryover only)
- Firearm Safety Device Tax Credit
- Motion Picture Production Tax Credit
- Agricultural Best Management Practices Tax Credit
- Conservation Tillage and Precision Agricultural Equipment Tax Credit
- Pass-Through Entity Elective Tax Payment Credit

DRAFT

TAX RATE SCHEDULE

IF YOUR VIRGINIA TAXABLE INCOME IS:

Not over $3,000, your tax is 2% of your Virginia taxable income.

over—	but not over—	your tax is—	of excess over—
$ 3,000	$ 5,000	$ 60 + 3 %	$ 3,000
$ 5,000	$17,000	$ 120 + 5 %	$ 5,000
$17,000		$ 720 + 5.75 %	$17,000

Example

If your taxable income is $90,000, your tax is $720 + 5.75% of the amount over $17,000.
This equals $720 + (.0575 x $73,000) **=** $720 + $4,197.50 = $4,917.50 which should be rounded to **$4,918**.

If your Virginia Adjusted Gross Income is less than the filing threshold, do not use the rate schedule or tax table. Enter $0 as your tax instead. See the instructions.

A detailed tax table can be found at **www.tax.virginia.gov**

DRAFT

2026 Income Tax Return Mailing Addresses and Locality Codes

You may mail your income tax return to your Commissioner of the Revenue at the address below or directly to the Department of Taxation at the addresses listed at the bottom of the next page.

*** DENOTES DIRECTOR OF FINANCE** **** DENOTES DIRECTOR, DEPARTMENT OF TAX ADMINISTRATION**

COUNTIES AND CITIES

Accomack County – 001
P.O. Box 186, Accomac, VA 23301
757-787-5747

Albemarle County * - 003
Refund: P.O. Box 1498, Richmond, VA 23218-1498
Tax Due: P.O. Box 760, Richmond, VA 23218-0760
434-296-5852

Alexandria City* - 510
Refund: P.O. Box 1498, Richmond, VA 23218-1498
Tax Due: P.O. Box 760, Richmond, VA 23218-0760
703-746-4800

Alleghany County - 005
Refund: P.O. Box 1498, Richmond, VA 23218-1498
Tax Due: P.O. Box 760, Richmond, VA 23218-0760
540-863-6640

Amelia County - 007
P.O. Box 269, Amelia Court House, VA 23002
804-561-2158

Amherst County - 009
P.O. Box 719, Amherst, VA 24521
434-946-9310

Appomattox County - 011
P.O. Box 125, Appomattox, VA 24522
434-352-7450

Arlington County - 013
Refund: P.O. Box 1498, Richmond, VA 23218-1498
Tax Due: P.O. Box 760, Richmond, VA 23218-0760
703-228-4017

Augusta County - 015
P.O. Box 959, Verona, VA 24482
540-245-5640

Bath County - 017
P.O. Box 130, Warm Springs, VA 24484
540-839-7231

Bedford County - 019
122 E. Main St., Ste. 103, Bedford, VA 24523
540-586-7621

Bland County - 021
P.O. Box 130, Bland, VA 24315
276-688-4291

Botetourt County - 023
57 S. Center Dr., Daleville, VA 24083
540-928-2050

Bristol City - 520
497 Cumberland St., Rm. 101, Bristol, VA 24201
276-645-7316

Brunswick County - 025
P.O. Box 669, Lawrenceville, VA 23868
434-848-2313

Buchanan County - 027
P.O. Box 1042, Grundy, VA 24614
276-935-6542

Buckingham County - 029
P.O. Box 138, Buckingham, VA 23921
434-969-4972

Buena Vista City - 530
2039 Sycamore Ave., Buena Vista, VA 24416
540-261-8610

Campbell County - 031
85 Carden Ln., Ste. C, Rustburg, VA 24588
434-332-9518

Caroline County - 033
P.O. Box 819, Bowling Green, VA 22427
804-633-1087

Carroll County - 035
Refund: P.O. Box 1498, Richmond, VA 23218-1498
Tax Due: P.O. Box 760, Richmond, VA 23218-0760
276-730-3080

Charles City County - 036
Refund: P.O. Box 1498, Richmond, VA 23218-1498
Tax Due: P.O. Box 760, Richmond, VA 23218-0760
804-652-2161

Charlotte County - 037
P.O. Box 308, Charlotte C.H., VA 23923
434-542-5546

Charlottesville City - 540
P.O. Box 2964, Charlottesville, VA 22902 -2964
434-970-3160

Chesapeake City - 550
P.O. Box 15285, Chesapeake, VA 23328
757-382-6737

Chesterfield County - 041
P.O. Box 124, Chesterfield, VA 23832
804-748-1281

Clarke County - 043
Refund: P.O. Box 1498, Richmond, VA 23218-1498
Tax Due: P.O. Box 760, Richmond, VA 23218-0760
540-955-5108

Colonial Heights City - 570
Refund: P.O. Box 1498, Richmond, VA 23218-1498
Tax Due: P.O. Box 760, Richmond, VA 23218-0760
804-520-9280

Covington City - 580
P.O. Drawer 58, Covington, VA 24426
540-965-6350

Craig County - 045
P.O. Box 186, New Castle, VA 24127
540-864-6241

Culpeper County - 047
P.O. Box 1807, Culpeper, VA 22701
540-727-3443

Cumberland County - 049
P.O. Box 77, Cumberland, VA 23040
804-492-4280

Danville City - 590
P.O. Box 480, Danville, VA 24543
434-799-5145

Dickenson County - 051
P.O. Box 1067, Clintwood, VA 24228
276-926-1646

Dinwiddie County - 053
P.O. Box 104, Dinwiddie, VA 23841
804-469-4500

Emporia City - 595
P.O. Box 956, Emporia, VA 23847
434-634-5405

Essex County - 057
P.O. Box 879, Tappahannock, VA 22560
804-443-4737

Fairfax City - 600
City Hall, Rm. 224, 10455 Armstrong St.
Fairfax, VA 22030
703-385-7885

Fairfax County ** - 059
Refund: P.O. Box 1498, Richmond, VA 23218-1498
Tax Due: P.O. Box 760, Richmond, VA 23218-0760
703-222-8234

Falls Church City - 610
300 Park Ave., # 202W
Falls Church, VA 22046
703-248-5450

Fauquier County - 061
P.O. Box 149, Warrenton, VA 20188-0149
540-422-8166

Floyd County - 063
Refund: P.O. Box 1498, Richmond, VA 23218-1498
Tax Due: P.O. Box 760, Richmond, VA 23218-0760
540-745-9345

Fluvanna County - 065
Refund: P.O. Box 1498, Richmond, VA 23218-1498
Tax Due: P.O. Box 760, Richmond, VA 23218-0760
434-591-1940

Franklin City - 620
207 West Second Ave., Franklin, VA 23851
757-562-8552

Franklin County - 067
1255 Franklin St., Ste. 102, Rocky Mt., VA 24151
540-483-3083

Frederick County - 069
Refund: P.O. Box 1498, Richmond, VA 23218-1498
Tax Due: P.O. Box 760, Richmond, VA 23218-0760
540-665-5681

Fredericksburg City - 630
Refund: P.O. Box 1498, Richmond, VA 23218-1498
Tax Due: P.O. Box 760, Richmond, VA 23218-0760
540-372-1004

Galax City* - 640
Refund: P.O. Box 1498, Richmond, VA 23218-1498
Tax Due: P.O. Box 760, Richmond, VA 23218-0760
276-236-2528

Giles County - 071
130 N. Main St., Pearisburg, VA 24134
540-921-3321

Gloucester County - 073
6489 Main St., Ste.137, Gloucester, VA 23061
804-693-3451

Goochland County - 075
P.O. Box 60, Goochland, VA 23063
804-556-5807

Grayson County - 077
P.O. Box 126, Independence, VA 24348
276-773-2381

Greene County - 079
Refund: P.O. Box 1498, Richmond, VA 23218-1498
Tax Due: P.O. Box 760, Richmond, VA 23218-0760
434-985-5211

Greensville County - 081
1781 Greensville County Circle, Rm. 132,
Emporia, VA 23847
434-348-4227

Halifax County - 083
P.O. Box 1847, Halifax, VA 24558
434-476-3314

Hampton City - 650
P.O. Box 636, Hampton, VA 23669-0636
757-727-6690

Hanover County - 085
P.O. Box 129, Hanover, VA 23069
804-365-6129

Harrisonburg City - 660
409 S Main St., Harrisonburg, VA 22801
540-432-7704

Henrico County * - 087
Refund: P.O. Box 1498, Richmond, VA 23218-1498
Tax Due: P.O. Box 760, Richmond, VA 23218-0760
804-501-4263

Henry County - 089
Refund: P.O. Box 1498, Richmond, VA 23218-1498
Tax Due: P.O. Box 760, Richmond, VA 23218-0760
276-634-4690

Highland County - 091
P.O. Box 148, Monterey, VA 24465
540-468-2142

Hopewell City - 670
P.O. Box 1604, Hopewell, VA 23860
804-541-2238

Isle of Wight County - 093
P.O. Box 107, Isle of Wight, VA 23397-0107
757-365-6272

James City County - 095
P.O. Box 283, Williamsburg, VA 23187
757-253-6695

King and Queen County - 097
P.O. Box 178, King & Queen Courthouse, VA 23085
804-785-5976

King George County - 099
10459 Courthouse Dr., Ste. 101,
King George, VA 22485-3865
540-775-4664

King William County *- 101
Refund: P.O. Box 1498, Richmond, VA 23218-1498
Tax Due: P.O. Box 760, Richmond, VA 23218-0760
804-769-4225

DRAFT

COUNTIES AND CITIES (CONTINUED)

Lancaster County - 103
8311 Mary Ball Rd., Rm. 203, Lancaster, VA 22503
804-462-7920

Lee County - 105
P.O. Box 96, Jonesville, VA 24263
276-346-7722

Lexington City - 678
P.O. Box 921, Lexington, VA 24450
540-462-3701

Loudoun County - 107
Refund: P.O. Box 1498, Richmond, VA 23218-1498
Tax Due: P.O. Box 760, Richmond, VA 23218-0760
703-777-0260

Louisa County - 109
1 Woolfolk Ave., Ste. 203, Louisa, VA 23093
540-967-3432

Lunenburg County - 111
11512 Courthouse Rd., Ste. 101, Lunenburg, VA 23952
434-696-2516, Ext. 3

Lynchburg City - 680
P.O. Box 858, Lynchburg, VA 24505-0858
434-455-3870,

Madison County - 113
P.O. Box 56, Madison, VA 22727
540-948-4421

Manassas City - 683
Refund: P.O. Box 1498, Richmond, VA 23218-1498
Tax Due: P.O. Box 760, Richmond, VA 23218-0760
703-257-8222

Manassas Park City - 685
100 Park Central Plaza, Ste. 303
Manassas Park, VA 20111
703-335-8838

Martinsville City - 690
Refund: P.O. Box 1498, Richmond, VA 23218-1498
Tax Due: P.O. Box 760, Richmond, VA 23218-0760
276-403-5131

Mathews County - 115
Refund: P.O. Box 1498, Richmond, VA 23218-1498
Tax Due: P.O. Box 760, Richmond, VA 23218-0760
804-725-7168

Mecklenburg County - 117
P.O. Box 360, Boydton, VA 23917
434-738-6191, Ext. 4270

Middlesex County - 119
Refund: P.O. Box 1498, Richmond, VA 23218-1498
Tax Due: P.O. Box 760, Richmond, VA 23218-0760
804-758-5331

Montgomery County - 121
Refund: P.O. Box 1498, Richmond, VA 23218-1498
Tax Due: P.O. Box 760, Richmond, VA 23218-0760
540-382-5710

Nelson County - 125
P.O. Box 246, Lovingston, VA 22949
434-263-7070

New Kent County - 127
Refund: P.O. Box 1498, Richmond, VA 23218-1498
Tax Due: P.O. Box 760, Richmond, VA 23218-0760
804-966-9610

Newport News City - 700
2400 Washington Ave., Newport News, VA 23607
757-926-8653

Norfolk City - 710
P.O. Box 2260, Norfolk, VA 23501-2260
757-664-7885

Northampton County - 131
P.O. Box 65, Eastville, VA 23347
757-678-0446

Northumberland County - 133
P.O. Box 309, Heathsville, VA 22473
804-580-4600

Norton City - 720
P.O. Box 347, Norton, VA 24273
276-679-0031

Nottoway County - 135
P.O. Box 5, Nottoway, VA 23955
434-645-9317

Orange County - 137
P.O. Box 389, Orange, VA 22960
540-672-4441

Page County - 139
103 S. Court St., Ste. C, Luray, VA 22835
540-743-3840

Patrick County - 141
Refund: P.O. Box 1498, Richmond, VA 23218-1498
Tax Due: P.O. Box 760, Richmond, VA 23218-0760
276-694-7131

Petersburg City - 730
Refund: P.O. Box 1498, Richmond, VA 23218-1498
Tax Due: P.O. Box 760, Richmond, VA 23218-0760
804-733-2315

Pittsylvania County - 143
P.O. Box 272,Chatham, VA 24531-0272
434-432-7940

Poquoson City - 735
500 City Hall Ave., Poquoson, VA 23662
757-868-3020

Portsmouth City - 740
801 Crawford St., Portsmouth, VA 23704
757-393-8773

Powhatan County - 145
3834 Old Buckingham Rd., Ste. C,
Powhatan, VA 23139
804-598-5616

Prince Edward County - 147
P.O. Box 446, Farmville, VA 23901
434-392-3231

Prince George County - 149
P.O. Box 155, Prince George, VA 23875
804-722-8740

Prince William County* - 153
Refund: P.O. Box 1498, Richmond, VA 23218-1498
Tax Due: P.O. Box 760, Richmond, VA 23218-0760
703-792-6710

Pulaski County - 155
52 West Main Street, Ste. 200, Pulaski, VA 24301
540-980-7750

Radford City - 750
Refund: P.O. Box 1498, Richmond, VA 23218-1498
Tax Due: P.O. Box 760, Richmond, VA 23218-0760
540-731-3613

Rappahannock County - 157
P.O. Box 115, Washington, VA 22747
540-675-5370

Richmond City - 760
Refund: P.O. Box 1498, Richmond, VA 23218-1498
Tax Due: P.O. Box 760, Richmond, VA 23218-0760
804-646-6474

Richmond County - 159
P.O. Box 366, Warsaw, VA 22572
804-333-3722

Roanoke City - 770
P.O. Box 718, Roanoke, VA 24004
540-853-6543

Roanoke County - 161
P.O. Box 21709, Roanoke, VA 24018
540-772-2049

Rockbridge County - 163
P.O. Box 1160, Lexington, VA 24450
540-463-3431

Rockingham County - 165
20 E. Gay St., Harrisonburg, VA 22802
540-564-3000

Russell County - 167
137 Highland Dr., Ste. C, Lebanon, VA 24266
276-889-8018

Salem City - 775
P.O. Box 869, Salem, VA 24153
540-375-3019

Scott County - 169
Refund: P.O. Box 1498, Richmond, VA 23218-1498
Tax Due: P.O. Box 760, Richmond, VA 23218-0760
276-386-7692

Shenandoah County - 171
Refund: P.O. Box 1498, Richmond, VA 23218-1498
Tax Due: P.O. Box 760, Richmond, VA 23218-0760
540-459-6170

Smyth County - 173
P. O. Box 985, Marion, VA 24354
276-782-4040

Southampton County - 175
Refund: P.O. Box 1498, Richmond, VA 23218-1498
Tax Due: P.O. Box 760, Richmond, VA 23218-0760
757-653-3030

Spotsylvania County - 177
Refund: P.O. Box 1498, Richmond, VA 23218-1498
Tax Due: P.O. Box 760, Richmond, VA 23218-0760
540-507-7054

Stafford County - 179
Refund: P.O. Box 1498, Richmond, VA 23218-1498
Tax Due: P.O. Box 760, Richmond, VA 23218-0760
540-658-4132

Staunton City - 790
P.O. Box 4, Staunton, VA 24402-0004
540-332-3829

Suffolk City - 800
P.O. Box 1459, Suffolk, VA 23439
757-514-4260

Surry County - 181
P.O. Box 35, Surry, VA 23883
757-294-5225

Sussex County - 183
P.O. Box 1398, Sussex, VA 23884
434-246-1030

Tazewell County - 185
135 Court St., Ste. 301, Tazewell, VA 24651-0020
276-385-1235

Virginia Beach City - 810
2401 Courthouse Dr., Bldg.1,
Virginia Beach, VA 23456
757-385-4483

Warren County - 187
Refund: P.O. Box 1498, Richmond, VA 23218-1498
Tax Due: P.O. Box 760, Richmond, VA 23218-0760
540-635-2651

Washington County - 191
1 Government Center Place, Ste. C,
Abingdon, VA 24210
276-676-6270

Waynesboro City - 820
503 W. Main St., Ste. 107, Waynesboro, VA 22980
540-942-6610

Westmoreland County - 193
P.O. Box 68, Montross, VA 22520
804-493-0113

Williamsburg City - 830
P.O. Box 245, Williamsburg, VA 23187
757-220-6150

Winchester City - 840
21 S. Kent St., Ste. 100, Winchester, VA 22601
540-667-1815

Wise County - 195
P.O. Box 1278, Wise, VA 24293
276-328-3556

Wythe County - 197
Refund: P.O. Box 1498, Richmond, VA 23218-1498
Tax Due: P.O. Box 760, Richmond, VA 23218-0760
276-223-6015

York County - 199
P.O. Box 190, Yorktown, VA 23690
757-890-3381

DRAFT

You may mail your income tax return directly to the Department of Taxation at the addresses listed to the right or to your Commissioner of the Revenue at the above address.

REFUND RETURNS
Virginia Department of Taxation
P.O. Box 1498
Richmond, VA 23218-1498

TAX DUE RETURNS
Virginia Department of Taxation
P.O. Box 760
Richmond, VA 23218-0760