

**Virginia Regulatory Town Hall
Agency Background Document
Notice of Intended Regulatory Action (NOIRA)**

Agency Name: Virginia Department of Environmental Quality

VAC Number: 9 VAC 20-140-10

Regulations Title: Regulations for the Certification of Recycling Machinery and Equipment for Tax Exemption Purposes

Action Title: Amendment

Date: July 21, 1999

Basis: Section 10.1-1402(11) of the Virginia Waste Management Act contained in Chapter 14, Title 10.1 Code of Virginia(1950) as amended, authorizes the Virginia Waste Management Board to promulgate regulations as may be necessary to carry out its powers and duties required by the Act.

Purpose: The Virginia Waste Management Board amends the existing ARegulation for the Certification of Recycling Machinery and Equipment for Tax Exemption Purpose≡ to continue the effective promotion of recycling activities in the Commonwealth. By certifying the recycling machinery and providing the state tax credit, the Commonwealth encourages recycling process and at the same time minimizes the quantity of waste generated.

Substance:

Amendment 1 to the above regulations, 9 VAC 20-140-10 will consider incorporation of legislative changes to Chapter 3, Article 3, Section 58.1-338, Article 13, Sections 58.1- 439 and 58.1- 439.8, and Article 14 Section 58.1- 445.1, Code of Virginia (1950) occurring since promulgation of regulations to date, at least, the following:

1. Increase in total credit allowable in a taxable year to sixty percent, as amended by Chapter 253 of the 1998 Acts of Assembly.
2. Carry over of tax credit from five to ten years until the total credit amount is used and tax credit extended to year 2001, as amended by Chapter 837 of the 1996 Acts of Assembly.
3. Tax credit extended to January 1, 1997, as amended by Chapter 202 of the 1995 Acts of Assembly.
4. Elimination of Fixed location, as amended by Chapter 585 of the 1993 Acts of Assembly.
5. Certification of items related to capitalized cost of equipment, as amended by Chapter 313 of

the 1992 Acts of Assembly.

Alternative:

A technical advisory committee will advise the Department of Environmental Quality on (what) amended regulatory text to recommend to the Board as proposed regulations. This panel will advise the Department on less intrusive and less burdensome alternatives to accomplish the objectives of recycling, where such exists, and during the public participation process, the general public will also be asked to suggest less intrusive and burdensome alternatives. The vast majority of changes to be considered will be a direct result of the amendments to the Code of Virginia.