INSTRUCTIONS FOR COMPLETING

FORM 770

VIRGINIA FIDUCIARY INCOME TAX

RETURNS FOR 2016

COMMONWEALTH OF VIRGINIA

DEPARTMENT OF TAXATION

RICHMOND, VIRGINIA

Va. Dept. of Taxation 2601091 Rev. 09/16

I. WHAT'S NEW

Virginia's Fixed Date Conformity with the Internal Revenue Code: Virginia's date of conformity with the Internal Revenue Code (IRC) was advanced from December 31, 2014 to December 31, 2015, with limited exceptions. Virginia will continue to deconform from the 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 year; 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.

At the time these instructions went to print, the only required fixed date conformity adjustments for "fixed date conformity" were those mentioned above. However, if legislation is enacted that results in changes to the IRC for the 2016 taxable year, taxpayers may need to make adjustments to their Virginia returns that are not described in these instructions. Information about any such adjustments will be posted on the Department's website at **www.tax.virginia.gov**.

File and ay online using Virginia's eForm: File and pay your fiduciary tax online using the Department's eForm. Simply complete the online version of the Form 770 by entering the tax information 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.

II. GENERAL INFORMATION

WHO MUST FILE A RETURN

RESIDENT ESTATE OR TRUST: The fiduciary of a resident estate or trust must file a Virginia Fiduciary Income Tax Return (Form 770) if the estate or trust is required to file a federal Fiduciary Income Tax Return (Form 1041). "Resident estate or trust" means:

- The estate of a decedent who at death was domiciled in Virginia;
- A trust created by the will of a decedent who at death was domiciled in Virginia;
- A trust created by, or consisting of property of, a person domiciled in Virginia; or
- An estate or trust that is being administered by a resident of Virginia or that is under the supervision of a Virginia court.

NONRESIDENT ESTATE OR TRUST: The fiduciary of a nonresident estate or trust must file a Virginia Fiduciary Income Tax Return (Form 770) if the estate or trust had income or gain derived from Virginia sources and was required to file a federal Fiduciary Income Tax Return (Form 1041). "Income or gain from Virginia sources" means items of income or gain derived from:

- Real or tangible personal property located in Virginia;
- A business, trade, profession or occupation carried on in Virginia; or
- Intangible personal property, including annuities, dividends, interest, royalties and gains to the extent that the income is attributable to a business, trade or occupation carried on in Virginia.

CHARITABLE REMAINDER TRUST: The fiduciary of a Charitable Remainder Trust must file a Virginia Fiduciary Income Tax Return (Form 770) and enclose a copy of the federal Split-Interest Trust Information Return (Form 5227).

SPECIAL INSTRUCTIONS: Check the box for "Exempt - Charitable Remainder Trust" under the FEIN area. On Line 3, enter zero for the amount of Virginia taxable income. Enclose the federal Schedule K-1 and a worksheet reporting the Virginia income received by recipients.

WHO SHOULD FILE A RETURN

An estate or trust that is not otherwise required to file, but which made payments of estimated tax or had income tax withheld during the taxable year, must file a Virginia Fiduciary Income Tax Return to claim a refund of those amounts.

PERIOD OF RETURN AND ACCOUNTING METHOD

The accounting period and method of accounting for Virginia purposes must be the same as the one used for federal purposes. If the taxable year or method of accounting is changed for federal purposes, the change must be applied to the Virginia return.

SIGNATURE AND VERIFICATION

The return must be signed by the fiduciary or an authorized officer of the organization receiving or having custody or control of the management of the estate or trust. If two or more individuals act jointly as fiduciaries, the return may be signed by any one of those individuals.

PENALTIES AND INTEREST

PENALTIES: A fiduciary who fails to file or files a fraudulent return may be subject to civil and/or criminal penalties and interest charges.

The civil penalty for failing to file a return by the due date is 6% of the tax due for each month or part of a month from the due date through the date the return is filed, up to a maximum of 30%.

The civil penalty for failure to pay the tax due by the required due date is also 6% of the tax due for each month or part of a month from the due date through the date the tax is paid, up to a maximum of 30%. The late payment penalty is not imposed for any month in which the late filing penalty has already been applied. The total combined penalties for late filing and late payment may not exceed 30% of the tax due with the return.

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

INTEREST: Interest due on any tax and/or penalty will accrue at the daily rate established according to *Va. Code* § 58.1-15, from the date the tax or unpaid balance became due through the date that payment is made. The daily interest rate is the federal "underpayment rate," plus 2%. The current interest factor may be obtained by calling the Department at **804-367-8031** or going to the Department's website at **www.tax.virginia.gov**.

ALLOCATION OF INCOME TO BENEFICIARIES

Va. Code §§ 58.1-361 and 58.1-363 require the allocation of Virginia modifications and Virginia taxable income to beneficiaries based on their respective share of the distributable net income of the estate or trust. A schedule or other statement of the income and modifications attributable to each beneficiary must be provided to each beneficiary by the fiduciary. A sample format is provided below. An optional format is to include a line

for the beneficiary's net Virginia modifications on the copy of the federal Schedule K-1 provided to each beneficiary. If this option is chosen, use this description on the Schedule K-1: "Information for Virginia individual income tax return: Net Virginia modifications: $_____."

Col. 1	Col. 2	Col. 3	Col. 4
Name and Social Security Number of Each Beneficiary	Share of Federal Distributable Net Income	Percentage of Federal Distributable Net Income	Share of Virginia Modifications (Multiply the percentage in Col. 3 by the total modifications from Form 770, Schedule 3, Line 11)

It is not acceptable to require the beneficiary to compute his or her own modification from the federal information provided on the federal Schedule K-1.

If the beneficiaries will qualify for the credits available to Form 770 filers, the fiduciary must provide each beneficiary with the information from Schedule 5 necessary to compute and/or claim the credit(s).

RECORD KEEPING

Fiduciaries should retain the records pertaining to each income tax return of the estate or trust for 3 years from the due date of the return or the date the return was filed, whichever is later. If the IRS extends the time required for the retention of federal records, the Virginia records should be kept for the same period of time.

SETOFF DEBT COLLECTION ACT

Before any refund can be issued, Virginia law requires the Department of Taxation to check for outstanding debts of the taxpayer with agencies of the Commonwealth of Virginia, Virginia local governments, the Virginia court system and the IRS. If any debts are found, regardless of the type of tax return filed, all or part of the refund may be withheld to satisfy the debt.

III. FILING INFORMATION

WHERE TO GET FORMS AND ASSISTANCE

Assistance is available at the offices of the Commissioner of the Revenue, Director of Finance or Director of Tax Administration of every Virginia county and city. Addresses and telephone numbers for these offices are available at the back of these instructions. Since the Virginia return is based on federal information, you should have a complete copy of the federal Form 1041 on hand when you contact any of the above offices. You can download most Virginia tax forms from the Department's website: **www.tax.virginia.gov.** You may order forms from the Department of Taxation at **804-367-8031**. **Address requests for information to Virginia Department of Taxation, P.O. Box 1115, Richmond, VA 23218-1115** or call **804-367-8031**. **Do NOT file the return at this address.** Tenemos servicios disponible en Español.

WHERE TO FILE

eForms: File and pay your fiduciary tax online using the Department's eForm. Simply complete the online version of the Form 770 by entering the tax information 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.

Mail: If you choose not to file online, Form 770 must be filed with the Commissioner of the Revenue, Director of Finance or Director of Tax Administration for the city or county in which the fiduciary qualified. If there has been no qualification in Virginia, the return should be filed with the Virginia city or county in which the fiduciary resides, does business, or has an office, or where one of the beneficiaries resides. The mailing addresses for the local offices are available at the back of these instructions.

WHEN TO FILE AND PAY THE TAX

Calendar year filers must file Form 770 no later than May 1, 2017. Fiscal year returns are due to no later than the 15th day of the 4th month following the close of the taxable year. If the due date falls on a Saturday, Sunday or legal holiday, the return must be filed by the next succeeding day that is not a Saturday, Sunday or legal holiday. Returns can be filed and payments made electronically. If filing by paper, the return must be accompanied by full payment of the tax due as reported on the return. **Make checks payable to Treasurer of the city or county where the return is filed.**

ESTIMATED TAX

TRUSTS: Trusts must make payments of estimated tax if the income tax liability on Form 770 for the taxable year will exceed $150.

ESTATES: Estates are not required to make estimated tax payments until the first taxable year that ends 1 year or more after the decedent's date of death. Estimated tax payments must be made for that taxable year and subsequent taxable years if the income tax liability will exceed $150.

Estimated tax payments can be made using eForms or on paper by using Form 770ES. If Form 770ES is needed, see "Where to Get Forms and Assistance" earlier in this section. If the estimated tax is underpaid, the fiduciary may be subject to an addition to tax.

ADDITION TO TAX FOR UNDERPAYMENT OF ESTIMATED TAX, FORM 760C OR FORM 760F

An addition to tax is assessed if the fiduciary did not pay enough estimated tax through timely payments or did not have enough income tax withheld throughout the year. The addition to tax does not apply if each payment is made on time and:

1. the total tax paid (including tax withheld and timely estimated tax paid) was at least 90% (66 2/3% for farmers, fishermen or merchant seamen) of the total 2016 tax liability or 100% of the income tax liability for 2015. To determine if the requirement is met, reduce the tax by the amount of all nonrefundable credits;
2. the sum of installment underpayments for the year is $150 or less; or
3. you qualify for one of the exceptions shown on Form 760C (Form 760F for farmers, fishermen or merchant seamen).

If the estate or trust is subject to the addition to tax for underpayment of estimated tax, complete Form 760C or 760F and pay the amount computed on Form 760C or 760F. Computation of the Virginia underpayment of tax is similar to the federal computation. The addition to tax is reported on Form 770 by completing Line 11 of Schedule 1.

EXTENSION OF TIME FOR FILING

You are allowed an automatic 6-month extension of time to file your tax return. This provision does not extend the due date for

payment of taxes; however, you must pay at least 90% of your tax by the original due date for filing the return (May 1, 2017 for calendar year filers). Payments of tentative tax must be made by the due date. Payments can be made using eForms or by using **Form 770IP**. 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**.

If you file your return within 6 months from the due date, but you do not pay at least 90% of your tax by the original due date for filing your return, you will be subject to an extension penalty of 2% per month. The penalty is applied to the balance of tax due with the return from the original due date through the date of payment. The maximum extension penalty is 12% of the tax due. If you file more than 6 months after the original due date, the extension provisions will not apply, and you will be subject to the late filing penalty. In addition to these penalties, you will be subject to interest charges on any balance of tax due with your return, even if you meet the 90% payment requirement.

It is not necessary to file Form 770IP if you are CERTAIN that your tax return will result in a refund because penalties are not assessed on a refund return; however, by law the Department of Taxation may issue a refund only if the return is filed within 3 years of the original due date or extended due date on the return, whichever is later.

AMENDED RETURNS AND FEDERAL ADJUSTMENTS

If an amended federal income tax return is filed to change the federal taxable income of the fiduciary, or if the IRS adjusts the income of the fiduciary, an amended Virginia return must be filed within 1 year. Any taxpayer filing an amended federal return must also file an amended Virginia return and pay any additional tax and interest. In addition, if you file an amended return with any other state that results in a change that would affect your Virginia income tax, you must file an amended Virginia tax return within 1 year.

If the changes or adjustments result in a decrease in the fiduciary's income tax liability, Virginia law allows the Department of Taxation to issue a refund only if the amended return is filed within:

- 3 years from the due date for filing the original return, including filing extensions;
- 1 year from the final determination date for the amended federal return or federal change, whichever is later, provided the refund requested is attributable only to such change or adjustment;
- 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 payment of additional tax, provided the claim for refund raises issues pertaining solely to the prior amended return and the claim does not exceed the amount of additional tax paid as a result of such 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.

HOW AND WHERE TO FILE AN AMENDED RETURN

To amend Form 770, obtain a blank Form 770 for the same taxable year and write "AMENDED" at the top or check the Amended box. Then complete the form using the corrected figures as if it were the original return. Do not make any adjustments to the return to show refunds received or balances paid with the original return.

Enclose a complete copy of the amended federal return or federal adjustments, as well as a statement explaining any other changes made to the Virginia return.

You will be contacted if additional information is needed. File the amended return with the Commissioner of the Revenue, Director of Finance or Director of Tax Administration for the city or county where the original return was filed (see the "Where to File" section for further information). Mailing addresses are at the back of these instructions.

IV. CREDITS

GENERAL INFORMATION: The following rules apply when computing tax credits:

- Where a credit is limited to a percentage of the tax, the "tax" for this purpose shall be gross tax, less the credit for taxes paid to other states.
- Other income tax credits should be claimed in the order in which they provide the maximum benefit, regardless of the order shown on the form.
- Claim only as much credit as can be used to offset tax liability and keep accurate records of the carryover available for each credit.
- Each pass-through entity must file Form PTE with the Department of Taxation within 30 days after the credit is granted and at least 60 days before filing their income tax return. A copy of the certification letter from the administering agency is a required enclosure with Form PTE.

CREDIT FOR TAX PAID TO ANOTHER STATE

RESIDENT FIDUCIARY:

A resident fiduciary is required to report its entire federal taxable income on Form 770, regardless of whether the entire income was derived from sources in Virginia. If the fiduciary is liable for payment of income taxes to another state on earned or business income derived from that state, or any gain (if included in federal adjusted gross income) on the sale of a capital asset outside Virginia, provided the income is taxed by Virginia as well as the other state (see *Va. Code* § 58.1-332 for information on capital assets), a credit is generally allowed for taxes paid to the other state, provided the income is taxable both to Virginia and the other state. The credit is computed on Form 770, Schedule 4.

> ***EXCEPTION:*** A Virginia fiduciary deriving business income as a nonresident in Arizona, California, the District of Columbia or Oregon may **not** claim a credit on the Virginia return for taxes paid to those states. The

credit must be claimed on the other state's nonresident fiduciary income tax return.

This credit applies only to income taxes paid to other states. Taxes paid to cities, counties, the federal government and foreign governments do not qualify for the credit. The credit is not allowed for franchise tax, license tax, excise tax, unincorporated business tax, occupation tax or any other tax characterized as such, even though the tax is based on *business* income. In addition, the credit is not allowable for taxes paid to any state that is prohibited by its own legislation from imposing an income or commuter tax.

The credit must be computed separately for each state. Enclose separate schedule for each state A complete copy of the income tax return filed with any state(s) for which a credit is claimed must be enclosed with Form 770. Copies of cancelled checks or other income statements are not sufficient for verification of the income tax liability to the other state.

NONRESIDENT FIDUCIARY: As a general rule, Virginia law does **not** provide a credit to a nonresident fiduciary on business income taxable by both Virginia and the fiduciary's state of residence. Therefore, such credits typically must be claimed on the income tax return filed with the state of residence.

EXCEPTION: If the nonresident fiduciary is liable for income taxes as a resident of Arizona, California, the District of Columbia or Oregon on income derived from Virginia sources, credit for tax paid to that state will be allowed on the Virginia return.

A complete copy of the income tax return filed with any state(s) for which a credit is claimed must be enclosed with Form 770. Copies of cancelled checks or other income statements are not sufficient for verification of the income tax liability to the other state.

NEIGHBORHOOD ASSISTANCE ACT TAX CREDIT

The Virginia Neighborhood Assistance Act provides tax credits to individuals and businesses that make qualified donations directly to pre-approved Neighborhood Assistance Program organizations whose primary function is to provide educational or other qualified services for the benefit of low-income families. Individuals may receive a credit for a donation of cash or marketable securities to an eligible organization. Businesses may receive a credit for a donation of money, marketable securities, property, limited professional services or contracting services. Licensed veterinarians, physicians, dentists, nurses, nurse practitioners, physician assistants, chiropractors, optometrists, dental hygienists, pharmacists, professional counselors, clinical social workers, clinical psychologists, marriage and family therapists, physical therapists, and physician specialists who donate their services for an approved clinic may also be eligible for credits. The amount of credit attributable to a partnership or S corporation must be allocated to the partners and shareholders in proportion to their ownership or interest in the partnership or S corporation. Any unused tax credits may be carried forward for the next five taxable years. For a list of approved organizations or additional information, contact the **Virginia Department of Social Services, Neighborhood Assistance Program, 801 E. Main Street, 25th Floor, Richmond, VA 23219-3301 or the Virginia Department of Education, P.O. Box 2120, Richmond, VA 23218-2120, Attn: Neighborhood Assistance Tax Credit Program for Education.**

MAJOR BUSINESS FACILITY JOB TAX CREDIT

Individuals, estates, trusts, corporations, banks, insurance companies and telecommunications companies may claim a Virginia tax credit if the taxpayer creates at least 50 new full-time jobs in connection with the establishment or expansion of a major business facility, and the company is engaged in a qualifying industry in Virginia. If a taxpayer is located in an enterprise zone or in an economically distressed area (as defined by the Virginia Department of Economic Development), the threshold is reduced from 50 to 25. Credits will be recaptured proportionately if employment decreases during the 5 years following the initial credit year.

This nonrefundable credit is equal to $1,000 per qualifying new job in excess of the 50/25 job threshold in enterprise zones or economically distressed areas. This credit is spread over 2 years for taxpayers whose credit year begins on or after January 1, 2009.

The credit only applies to facilities where an announcement to expand or establish such a facility was made on or after January 1, 1994. The credit must be claimed ratably beginning with the taxable year following the year in which the facility is established or expanded, or the new qualifying jobs are added. Unused credits may be carried forward for the next 10 taxable years. A qualified business firm receiving an Enterprise Zone Job Creation Grant under *Va. Code* § 59.1-547 shall not be eligible to receive a Major Business Facility Job Tax Credit for any job used to qualify for the Enterprise Zone Job Creation Grant.

To apply for this credit, complete **Form 304**. All applications must be submitted to the **Department of Taxation, Tax Credit Unit, P.O. Box 715, Richmond, VA 23218-0715** 90 days prior to the due date of your return. A letter will be sent to certify the credit.

HISTORIC REHABILITATION TAX CREDIT

Individuals, estates, partnerships, trusts or corporations incurring eligible expenses in the rehabilitation of a certified historic structure are entitled to claim a credit against the tax imposed by *Va. Code* §§ 58.1-320 et seq., 58.1-360 et seq., 58.1-400 et seq., 58.1-1200 et seq., 58.1-2500 et seq. or 58.1-2620 et seq. The credit is equal to 25% of eligible rehabilitation expenses for projects completed in 2000 and thereafter. To qualify, the cost of the rehabilitation must equal at least 50% (25% if the building is an owner occupied residence) of the assessed value of the building for local real estate tax purposes in the year preceding the start of the rehabilitation. Unused credit may be carried forward for 10 years. The rehabilitation work must be certified by the Virginia Department of Historic Resources as consistent with the Secretary of the Interior's Standards for Rehabilitation. Certification of buildings and rehabilitations are issued by the Department of Historic Resources. Applications for certification may be obtained by writing to the **Virginia Department of Historic Resources, 2801 Kensington Avenue, Richmond, VA 23221, 804-367-2323,** or by visiting **www.dhr.virginia.gov**.

BARGE AND RAIL USAGE TAX CREDIT

An income tax credit is allowed for transporting cargo containers by barge and rail rather than by trucks or other motor vehicles on the Commonwealth's highways. The amount of the credit is $25 per 20-foot equivalent, unit or 16 tons of noncontainerized cargo or one unit of roll-on/roll-off cargo moved by barge or rail rather than by trucks or other motor vehicles on Virginia's highways. Containers for which this credit is claimed must result

from a diversion of shipments from the highways. To receive a credit, an international trade facility is required to apply to the Virginia Department of Taxation. No more than $500,000 in tax credits can be issued in any fiscal year. The Department will determine the allowable credit amount for the taxable year and provide a written certification of the allowable credit amount to each taxpayer.

The business must apply by April 1st using **Form BRU**. Submitting a late application will disqualify you from the credit. All applications must be sent to the **Virginia Department of Taxation, Tax Credit Unit, P.O. Box 715, Richmond, VA 23218-0715.** This credit requires certification from the Tax Credit Unit to be claimed on your tax return. A letter will be sent to certify the credit. For assistance write to the **Department of Taxation, Tax Credit Unit, P. O. Box 715, Richmond, VA 23218-0715** or call **804-786-2992.**

WORKER RETRAINING TAX CREDIT

This credit allows an employer to claim a tax credit for the training costs of providing eligible worker retraining to qualified employees. "Eligible worker retraining" includes noncredit courses that are approved by the Virginia Economic Development Partnership (VEDP) and that are provided by any of the Commonwealth's community colleges or a private school. Eligible worker retraining programs also include courses (credit and noncredit) undertaken through an apprenticeship agreement approved by the Virginia Apprenticeship Council. The credit is 30% of all expenditures paid or incurred by the employer during the taxable year, subject to certain limitations. For taxable years beginning prior to January 1, 2013, if the eligible worker retraining consists of courses conducted at a private school, the credit cannot exceed $100 per qualified employee annually. For taxable years beginning on or after January 1, 2013, if the eligible working retraining consists of courses conducted at a private school, the credit cannot exceed $200 per qualified employee annually, or $300 per qualified employee annually if the eligible training includes retraining in a STEM or STEAM discipline. A STEM or STEAM discipline is defined as a science, technology, engineering, mathematics or applied mathematics related discipline as determined by DBA. The term STEM or STEAM includes a health-care related discipline.

Employers must apply for certification of the amount of allowable credit using **Form WRC**, Worker Retraining Tax Credit, by April 1 of the year following the year in which the training expenses were paid or incurred, before claiming the credit on their income tax return. All approved businesses filing a timely **Form WRC** will be notified of their allowable credit by June 30. The maximum Worker Retraining Tax Credits granted to all employers is limited to $2,500,000 annually. If the total credits approved exceed this amount, the amount of allowable credit for each employer will be prorated accordingly. The credit is allowable against Individual Income Tax, Fiduciary Income Tax, Corporation Income Tax and Bank Franchise Tax. The credit is also allowable against Insurance Premiums License Tax and tax imposed on utility companies (under *Va. Code* §§ 58.1-2500 et seq. and 58.1-2620 et seq.). This credit is nonrefundable, but excess credit may be carried forward for the next 3 taxable years. For information on pre-approved apprenticeship programs, contact the **Virginia Department of Labor and Industry** at **804-225-4362.** For information on noncredit course approval, write to: **Virginia Economic Development Partnership, 901 East Byrd Street, Richmond, VA 23219** or call **804-545-5706.**

QUALIFIED EQUITY AND SUBORDINATED DEBT INVESTMENTS TAX CREDIT

Taxpayers making a "qualified investment" in the form of equity or subordinated debt in a "qualified business" may be eligible for this credit. Businesses may apply for designation as a qualified business using **Form QBA**. The qualification is **valid** only for the calendar year of the application. Therefore, the business needs to reapply each year for qualification. To qualify, the business must (1) have annual gross revenues of no more than $3 million in its most recent fiscal year, (2) have its principal office or facility in the Commonwealth, (3) be engaged in business primarily in or having substantially all of its production in the Commonwealth and (4) have not obtained during its existence more than $3 million in aggregate gross cash proceeds from the issuance of its equity or debt investments (not including commercial loans from chartered banking or savings and loan institutions).

The credit equals 50% of the qualified business investments made during the taxable year. For the 2016 taxable year the total amount of credit granted is limited to $5 million. One-half of this amount must be allocated to commercialization investments and the other half is available for all other qualifying investments. If credit applications for either half exceed the allowed amount, the credits for that half will be prorated. If credit applications for either half are less than the allowed amount, the balance will be available for allocation to the other half. The total amount of credit that may be used per taxpayer per taxable year may not exceed $50,000. The credit is nonrefundable. Unused credits may be carried forward for up to 15 years. Except in certain instances equity and debt investments held in connection with a qualified business investment must be held by the investor for at least 3 full calendar years following the calendar year for which the credit is allocated. If the holding period is not met, the unused credit amount will be forfeited, and an assessment will be issued for the amount used to which shall be added interest, computed at the rate of 1% per month, compounded monthly from the date the tax credits were claimed.

Taxpayers cannot receive a grant from the Small Business Investment Grant Fund and claim the Qualified Equity and Subordinated Debt Investments Tax Credit for the same investment.

This credit requires **pre-approval** by the **Department of Taxation.** Investors must apply to the Department by April 1 of the year following the year the investment was made using **Form EDC. Taxpayers filing Form EDC after April 1 will be denied this credit.** Since the tax return of most individuals is due on May 1, most investors will need to file a return on extension or amend their original return to claim the credit.

Pass-through entities must file **Form PTE** with the Department of Taxation at least 60 days before filing their income tax return. A copy of the certification letter from the Department of Taxation is a required enclosure to **Form PTE**.

Visit the Department's website at **www.tax.virginia.gov** to obtain **Form QBA, Form EDC** and **Form PTE.** Information on the application process may be obtained by writing to the **Virginia Department of Taxation, Tax Credit Unit, P. O. Box 715, Richmond, VA 23218-0715,** or by calling **804-786-2992.**

COALFIELD EMPLOYMENT ENHANCEMENT TAX CREDIT

For taxable years beginning on or after January 1, 1996, but before January 1, 2017, a tax credit may be earned by

individuals, estates, trusts and corporations that have an economic ownership interest in coal that was mined in Virginia. Credits may be claimed for taxable years beginning on or after January 1, 1999. Compute the allowable credit on **Form 306** for the taxable year in which the credit is claimed and/or earned. *If you are reporting an earned amount for taxable year 2016, you must also complete Line 10* of Schedule 1. Enclose Form 306 with completed schedules, if appropriate. See "What to Enclose" on the instructions for Form 306 for additional enclosure requirements and information.

VIRGINIA COAL EMPLOYMENT AND PRODUCTION INCENTIVE TAX CREDIT

This credit may be allocated between a qualifying electricity generator and qualifying person with an economic interest in coal. The allocation of this credit may not exceed $3 per ton. All credits earned on or after January 1, 2006, or prior to July 1, 2016, which are allocated to persons with an economic interest in coal may be redeemed by the Tax Commissioner if the credits exceed the taxpayer's state tax liability for the applicable taxable year. You must complete **Form 306**, **Form 306T** and any necessary enclosures to claim this credit. See "What to Enclose" on the instructions for Form 306 for additional enclosure requirements and information.

LAND PRESERVATION TAX CREDIT

This tax credit is for taxpayers that convey land or an interest in land located in Virginia to a public or private agency that is eligible to hold such land or interest therein for conservation or preservation purposes. The conveyance must be in perpetuity.

Credits granted prior to 2007 are 50% and the credits granted for 2007 and beyond are 40% of the fair market value, as substantiated by a "qualified appraisal" prepared by a "qualified appraiser", as those terms are defined under applicable federal law and regulations governing charitable contributions. Beginning with the 2015 calendar year, the maximum amount of credits that may be issued in a calendar year may not exceed $75 million. For Taxable Years 2009, 2010, and 2011, the total amount of credit per taxpayer per taxable year was limited to $50,000 or the total tax liability, whichever was less. For Taxable Years 2012, 2013, and 2014, the credit limit per taxpayer per taxable year was $100,000 or the total tax liability, whichever was less. For Taxable Years 2015 and 2016, the credit limit per taxpayer per taxable year is $20,000 or the total tax liability, whichever is less. For Taxable Year 2017 and thereafter, the credit will be limited to $50,000 per taxpayer per taxable year or the total tax liability, whichever is less. Effective for the tax year 2017 and for every taxable year thereafter the total credit will be $50,000. However, for any fee simple donation of land conveyed to the Commonwealth on or after January 1, 2015, the amount of the credit claimed is subject to a higher limitation of $100,000 per taxpayer for each taxable year, provided that no part of the charitable contributions deduction under § 170 of the Internal Revenue Code related to such fee simple donation is allowable by reason of a sale or exchange of property. For taxpayers affected by the usage limits for taxable years 2009 and 2010, an additional 2-year carryforward will be added to the credit. For taxpayers affected by the usage limits for taxable years 2011 and 2015 and thereafter, an additional 3-year carryforward will be added to the credit. Any unused credit not affected by the carryforward periods will retain the original carryforward periods (5 years for donations originating prior to January 1, 2007 and 10 years for donations originating on or after January 1, 2007). Any taxpayer holding Land Preservation Tax Credits that originated on or after January 1, 2002, may transfer unused but otherwise allowable credits for use by another taxpayer on such taxpayer's Virginia income tax return. Transfers and pass-through allocations derived from donations recorded on or after January 1, 2007, are subject to a fee. See Schedule A of Form LPC-1 or Form LPC-2 for further information.

If this credit is taken, then for the next 3 years taxpayers cannot take a subtraction for the gain on the sale of land or easements dedicated to open-space use. A subtraction is allowed for any gain or income recognized by a taxpayer on the application of a Land Preservation Tax Credit against a Virginia income tax liability to the extent that the gain is included in and not otherwise subtracted from federal adjusted gross income. The transfer of the credit and its application against a tax liability shall not create gain or loss for the transferor or the transferee.

Before claiming the credit, complete and file Form LPC-1 and/or Form LPC-2 with the Department of Taxation at least 90 days before filing an annual return. For land or an interest in land conveyed on or after July 1, 2015, no credit will be allowed unless a completed credit application with regard to such conveyance has been filed with the Department of Taxation by December 31 of the year following the calendar year of the conveyance. Additionally, applicants filing for tax credits of $1 million or more must apply to the Department of Conservation and Recreation to receive verification of the conservation value. The Department of Taxation will issue a letter acknowledging the amount of the credit. For assistance write to the **Virginia Department of Taxation, Tax Credit Unit, P. O. Box 715, Richmond, VA 23218-0715**, or call **804-786-2992**.

V. OTHER CONSIDERATIONS FOR FIDUCIARIES

In addition to the filing of income tax returns, fiduciaries are generally responsible for ensuring that all Virginia tax obligations of an estate or trust have been fulfilled. The information in this section provides details on the settlement of accounts and outlines other Virginia taxes for which an estate or trust may be held liable.

SETTLEMENT OF ACCOUNTS

In connection with the settlement of fiduciary accounts, special attention should be given to the provisions of *Va. Code* §§ 58.1-22 and 58.1-23, dealing with the collection of taxes and levies upon property under the control of the fiduciaries and the courts. The sections are set out below.

> ***Va. Code* § 58.1-22. Accounts Not Settled Until Taxes Paid or Provided for** – No commissioner of accounts shall, under *Va. Code* § *64.2-1211*, file any report of an account of the transactions of any fiduciary not governed by *Va. Code* § 58.1-911 until the commissioner finds that all taxes, whether state, county or city, assessed and chargeable upon the property in the hands of the person for whom such account is settled have been paid or unless such account shall show that there remains in the hands of such person a sufficient sum, over and above the charges of administration, to pay all taxes charged against such person in his capacity as fiduciary.
>
> ***Va. Code* § 58.1-23. Inquiries Required of Fiduciaries** – Every personal representative, before settling the estate in his hands, shall make inquiry of the treasurer

of the county or city wherein the decedent last resided and of the Department with respect to any unpaid taxes and levies assessed against his decedent.

Inquiries made with respect to the provisions of *Va. Code* § 58.1-23 should be addressed to the Virginia Department of Taxation, Customer Services, P.O. Box 1115, Richmond, VA 23218-1115.

COMPOSITE FILING

Fiduciaries may request to file, on behalf of nonresident beneficiaries or participants, a unified return thereby relieving these persons or entities of the responsibility of filing a Virginia nonresident income tax return. There are certain conditions that must be met in order to be granted approval to file a composite return. For further information call the **Department of Taxation, Customer Services at 804-367-8031.**

PROBATE TAX (TAX ON WILLS AND ADMINISTRATIONS)

A state tax is imposed on the probate of wills and grants of administration that are not exempt by law. A probate tax return must be filed with the clerk of the court at the time the will is offered for probate, or grant of administration is sought, if the estate exceeds $15,000 in value at the date of death of the decedent. There is no probate tax on estates valued at $15,000 or less. For estates exceeding $15,000 in value, the tax is 10 cents per $100, or fraction of $100, including the first $15,000. In addition, the county or city in which the will is offered for probate, or grant of administration is sought, may also impose a local probate tax equal to 1/3 of the state tax. **For further information on the probate tax, contact the Clerk of the Circuit Court in the appropriate jurisdiction, or the Department of Taxation at 804-367-8031.**

ESTATE TAX

Virginia law does not currently impose an estate tax on the estates of decedents whose date of death is on or after July 1, 2007. For further information, visit the Department's website at **www.tax.virginia.gov, call 804-367-8031, or write to Virginia Department of Taxation, P.O. Box 1115, Richmond, VA 23218-1115.**

CONSUMER'S USE TAX

If an estate or trust that is not engaged in a trade or business is not charged sales tax on purchases of tangible personal property (other than for resale), it must file a Virginia Consumer's Use Tax Return for Individuals, **Form CU-7**.

Form CU-7 and the tax are due the same day that the income tax return is due . If filing a tax due Form 770 return, do not send a single payment to cover both the fiduciary return liability and the consumer's use tax liability. **Form CU-7** must be filed separately.

If engaged in a trade or business, file a Virginia Consumer's Use Tax Return, **Form ST-7**. **Form ST-7** and the tax are due by the 20th day of the month following the month in which the purchase was made.

If the total amount of purchases were from out-of-state mail order catalog(s) **ONLY** and totaled $100 or less for the entire year, you are not required to pay the use tax. If the purchases were from out-of-state mail order catalog(s) and exceed $100 or the purchases were of any amount from sources other than mail order catalog(s), then you must report these purchases and pay consumer's use tax on the **TOTAL** amount of *untaxed* purchases from **all** sources during the calendar year. Nonprescription drugs and proprietary medicines purchased for the cure, mitigation, treatment or prevention of diseases in human beings are exempt from the consumer's use tax.

Effective on July 1, 2013, the statewide retail sales and use tax rate was increased from 5% to 5.3%. In addition to the statewide increase, there is an additional 0.7% increase in localities included in the Northern Virginia and Hampton Roads regions. These changes apply to general retail sales only and do not impact the rate charged for sales of food for home consumption. The sales tax rate on food purchased for home consumption remains 2.5%.

For further information on the consumer's use tax, visit **www.tax.virginia.gov**, write to the **Virginia Department of Taxation, P.O. Box 1115, Richmond, VA 23218-1115** or call **804-367-8037**.

LITTER TAX

Litter tax is reported on a separate return, **Form 200.** This tax is imposed on every "person," who on January 1 of the taxable year, was engaged in business as a manufacturer, wholesaler, distributor or retailer of the following products: food for human or pet consumption; groceries; cigarettes and tobacco products; soft drinks and carbonated waters; beer and malt beverages; wine; newspapers and magazines; paper products and household paper; glass and metal containers; plastic or fiber containers made of synthetic materials; cleaning agents and toiletries; nondrug drugstore sundry products; distilled spirits; and motor vehicle parts. "Person" means any natural person, corporation, partnership, administrator, fiduciary representative or group of individuals or entities of any kind operating such a business.

Litter tax is computed and filed on a calendar year basis for all filers, regardless of the taxable year used for income tax purposes. The return, **Form 200**, and payment of the tax are due on May 1 of each year for the preceding year. Once an initial return is filed, preprinted forms will be mailed automatically for subsequent years. **For further information on litter tax, contact the Department of Taxation at 804-367-8037.**

VI. LINE BY LINE INSTRUCTIONS

FORM 770 - PAGE 1

Complete the information in the sections at the top of Form 770. If this return is for a period other than January 1 to December 31 of the taxable year shown on your return, indicate the fiscal beginning and ending dates in the space provided. The taxable period of your Virginia return must be the same as that of your federal return. It is important that the name, address and Federal Employer Identification Number (FEIN) are entered correctly. **Do NOT use the decedent's social security number or the preparer's FEIN as the estate's or trust's FEIN.**

If the estate or trust has not received its FEIN, write "Applied For" in the appropriate box and notify the **Department of Taxation** in writing at **P. O. Box 1115, Richmond, VA 23218-1115** as soon as the FEIN is received.

Locality Code. Look up the 3-digit code on the back cover of the instructions for the locality in which the fiduciary qualified. Enter the corresponding number in the boxes that are provided on the form. If the fiduciary is not qualified, enter 300 as the "unassigned" locality.

Charitable Remainder Trust. Check the box for "Exempt - Charitable Remainder Trust" under the FEIN section. On Line

3, enter zero for the amount of Virginia taxable income. A schedule or other statement of the income, and all credits and modifications attributable to the beneficiary of the Charitable Remainder Trust must be provided to the beneficiary.

Grantor Trust. Check this box if the fiduciary is a grantor type trust.

Final Return. Check this box if this is the final return for the fiduciary.

SCHEDULE 1 - COMPUTATION OF TAXABLE INCOME AND TAX OF FIDUCIARY

Before completing Schedule 1, complete all applicable schedules on the back of Form 770.

Line 1: **Federal taxable income of the estate or trust.**

Resident fiduciaries:
Enter the federal taxable income reported on Form 1041.

Nonresident fiduciaries:
Enter the taxable income from Schedule 2, Line 8.

Line 2: **Fiduciary's share of Virginia modifications**. Enter on Line 2(a) or Line 2(b), the net modifications amount from Schedule 3, Line 12 on the back of the return.

The instructions for Schedule 3, Line 12, explain whether the amount should be entered on Line 2(a) or Line 2(b).

See Schedule 3, Lines 3 and 8, for amounts on Lines 2FA and 2FS.

Line 3: **Virginia taxable income of fiduciary**. Add the amounts reported on Lines 1 and 2(a), or subtract the amount on Line 2(b) from the amount on Line 1, and enter the result on Line 3.

Line 4: **Virginia income tax**. Compute the tax on the income reported on Line 3, according to the rate schedule below.

If Line 3 is $3,000 or less, the tax is 2% of Line 3;

If Line 3 is over $3,000, but not over $5,000, the tax is $60 plus 3% of the excess over $3,000;

If Line 3 is over $5,000, but not over $17,000, the tax is $120 plus 5% of the excess over $5,000; or

If Line 3 is over $17,000, the tax is $720 plus 5.75% of the excess over $17,000.

Line 5: **Payments and credits**. Enter the appropriate amounts on Lines 5(a) through 5(q). Enter the total payments and credits claimed on Line 5.

(a) **Virginia income tax withheld.** Enter the amount of any Virginia withholding on the wages, salaries or other income of the decedent that was received by the estate. Enclose a copy of Forms W-2, W-2G, 1099-R, VK-1 and/or any other documentation necessary to support the amount claimed.

(b) **2016 Estimated tax payments.** Enter the amount of any 2016 Virginia estimated tax payments made by the estate or trust, including any overpayment credit applied from the fiduciary's 2015 return. Do not include payments made on behalf of a decedent for individual income tax purposes.

(c) **Extension payments made with Form 770IP.** Enter the amount of tentative tax paid with the fiduciary's Form 770IP.

(d) **Credit for tax paid to another state.** Enter the credit computed from Form 770, Schedule 4, Line 7. See "Credit for Tax Paid to Another State" in Section IV of these instructions to see if you qualify for this credit.

A complete copy of the fiduciary return of any state for which the credit is claimed must be enclosed.

(e)-(q) Complete Schedule 5 on Page 3 of Form 770 to determine the allocations between the fiduciary and beneficiaries.

(e) **Neighborhood Assistance Act Tax Credit.** Complete the worksheet below and enter the allowable credit from Line 7 on Form 770, Line 5(e).

1. Fiduciary's share of credit from Schedule 5, Column 3, Line (e) ..... 1. _____
2. Carryover credit from prior year ..... 2. _____
3. Subtotal: Add Lines 1 and 2 3. _____
4. Tax from Schedule 1, Line 4 4. _____
5. Credit for tax paid to another state..... 5. _____
6. Subtract Line 5 from Line 4. 6. _____
7. **Allowable 2016 Credit.** Enter the lesser of Line 3 or Line 6 here and on Schedule 1, Line 5(e) ..... 7. _____
8. **Carryover to 2017 Form 770.** If Line 3 is larger than Line 7, enter the difference..... 8. _____

(f) **Enterprise Zone Act Tax Credit.** Enter the fiduciary's credit as computed on Form 301 using only the fiduciary's share of qualifying income, the Virginia unemployment tax credit and the investment tax credit. Enclose Form 301.

When qualifying in more than one Enterprise Zone, complete a separate Form 301 for each zone. Add the totals from each Form 301 and enter the grand total on this line.

(g) **Major Business Facility Job Tax Credit.** Enter the fiduciary's credit as computed on Form 304.

(h) **Historic Rehabilitation Tax Credit.** Complete the worksheet below and enter the allowable credit.

1. Fiduciary's credit share from Schedule 5, Line (e) of column used to claim credit. Enclose certification.. 1. _____
2. Carryover credit from prior year ..... 2. _____
3. Subtotal: Add Lines 1 and 2. 3. _____
4. Tax from Schedule 1, Line 4 4. _____
5. Total of other credits claimed5. _____
6. Subtract Line 5 from Line 4. 6. _____

7. **Allowable 2016 Credit.** Enter the lesser of Line 3 or Line 6 here and on Schedule 1, Line 5(h) ..... 7. _____

8. **Carryover to 2017 Form 770.** If Line 3 is larger than Line 7, enter the difference..... 8. _____

(j) **Barge and Rail Usage Tax Credit.** Complete the worksheet below and enter the allowable credit.

1. Fiduciary's credit share from Schedule 5, Line (e) of column used to claim credit..... 1. _____
2. Carryover credit from prior year ..... 2. _____
3. Subtotal: Add Lines 1 and 2. 3. _____
4. Tax from Schedule 1, Line 4. 4. _____
5. Total of other credits claimed. 5. _____
6. Subtract Line 5 from Line 4 . 6. _____
7. **Allowable 2016 Credit.** Enter the lesser of Line 3 or Line 6 here and on Sch. 1, Line 5(j) 7. _____
8. **Carryover to 2017 Form 770.** If Line 3 is larger than Line 7, enter the difference..... 8. _____

(k) Line reserved for future use.

(l) **Worker Retraining Tax Credit.** Complete the worksheet below and enter the allowable credit.

1. Fiduciary's credit share from Schedule 5, Line (e) of column used to claim credit..... 1. _____
2. Carryover credit from prior year ..... 2. _____
3. Subtotal: Add Lines 1 and 2. 3. _____
4. Tax from Schedule 1, Line 4. 4. _____
5. Total of other credits claimed. 5. _____
6. Subtract Line 5 from Line 4. 6. _____
7. **Allowable 2016 Credit.** Enter the lesser of Line 3 or Line 6 here and on Sch. 1, Line 5(l)7. _____
8. **Carryover to 2017 Form 770.** If Line 3 is larger than Line 7, enter the difference..... 8. _____

(m)**Qualified Equity and Subordinated Debt Investments Tax Credit.** Complete the worksheet below and enter the allowable credit.

1. Fiduciary's credit share from Schedule 5, Line (e) of column used to claim credit..... 1. _____
2. Carryover credit from prior year ..... 2. _____
3. Subtotal: Add Lines 1 and 2. 3. _____
4. Tax from Schedule 1, Line 4. 4. _____
5. Total of other credits claimed. 5. _____
6. Subtract Line 5 from Line 4 . 6. _____
7. **Allowable 2016 Credit.** Enter the lesser of Line 3 or Line 6 here and on Sch. 1, Line 5(m)7. _____
8. **Carryover to 2017 Form 770.** If Line 3 is larger than Line 7, enter the difference..... 8. _____

(n)-(o) **Coalfield Employment Enhancement Tax Credit and Virginia Coal Employment and Production Incentive Tax Credit** Enter on Line 5(n)i the fiduciary's credit as computed on Form 306. Enter on Line 5(n) iii the full credit from Form 306,Line 12. Enter on Line 5(o)i the fiduciary's credit as computed on Form 306, Line 13. Enclose Form 306.

(p) Line reserved for future use.

(q) **Land Preservation Tax Credit.** Complete the worksheet below and enter the allowable credit.

1. Fiduciary's credit share from Schedule 5, Line (e) of column used to claim credit ..... 1. _____
2. Carryover credit from prior year ..... 2. _____
3. Subtotal: Add Lines 1 and 2. 3. _____
4. Tax from Schedule 1, Line 4. 4. _____
5. Total of other credits claimed. 5. _____
6. Subtract Line 5 from Line 4. 6. _____
7. **Allowable 2016 Credit.** Enter the lesser of Line 3 or Line 6 here and on Sch. 1, Line 5(q)7. _____
8. **Carryover to 2017 Form 770.** If Line 3 is larger than Line 7, enter the difference..... 8. _____

Line 5: **Total payments and credits.** Enter the total of Lines 5(a) through 5(m) and 5(oiii) through 5(q).

Line 6: **Balance due.** If the total credits claimed on Line 5 are less than the tax reported on Line 4, subtract Line 5 from Line 4 and enter the result. See Section II of this instruction book for information on when and where to file your return. The return may be filed and payment made using eForms. If filing by paper, a *check for the balance due, made payable to the Treasurer of the city or county where the return will be filed, must be enclosed with the return. A list of the filing addresses and phone numbers for each city or county is available at the back of these instructions.*

Line 7: **Overpayment.** If the total payments and credits claimed on Line 5 exceed the tax reported on Line 4, subtract Line 4 from Line 5 and enter the result on Line 7.

Line 8: **Amount of overpayment to be credited to 2017.** Enter the amount of the overpayment to be credited to the fiduciary's 2017 estimated income tax.

Line 9: **Amount to be refunded.** Subtract Line 8 from Line 7 and enter the refund amount here.

Line 10: **Coalfield Employment Enhancement Tax Credit Earned.**
Enter amount from Form 306, Line 11. This is the credit to be reported on your 2019 return. Enclose Form 306.

Line 11: **Amount from Form 760C or Form 760F.** Enter the addition to tax amount from Form 760C or Form 760F, if applicable.

FORM 760C OR FORM 760F

See the "Estimated Tax" section in Part III of these instructions to determine if you owe an addition to tax. If exception 1 or 2 was met for all quarters, it is not necessary to complete or enclose Form 760C or Form 760F. **If exception 3 or 4 was used to calculate the addition to tax or to determine that you did not owe the addition to tax for any quarter, you must enclose Form 760C and the associated worksheet(s) with the return.**

If Form 760C or Form 760F is enclosed, complete Line 11 of Schedule 1. Enclose a check for the TOTAL amount of income tax due and the addition to tax computed on Form 760C or Form 760F. If your return shows a refund on Line 9, the addition to tax will be deducted from your refund.

COMPLETING THE RETURN

SIGNATURE: The return must be signed by the fiduciary or an authorized officer of the organization receiving or having custody or control of the management of the estate or trust. If two or more individuals act jointly as fiduciaries, the return may be signed by any one of those individuals. You have not filed a complete or legal return unless it has been signed.

TELEPHONE NUMBERS: Telephone numbers where you can be contacted between the hours of 8:30 a.m. and 5:00 p.m. are requested so that a representative of the Department can call you if there is a question about the return.

WHEN AND WHERE TO FILE AND PAY THE TAX: See Section III, Filing Information, on Page 2 of these instructions for information on when and where to file and pay the tax.

FORM 770 - PAGE 2

SCHEDULE 2 - COMPUTATION OF VIRGINIA TAXABLE INCOME OF A NONRESIDENT ESTATE OR TRUST

On Lines 1 through 3, enter the distributable amount in Column A and the nondistributable amount in Column B.

Line 1: **Income from sources within Virginia.** Enter the income from property or businesses located or administered in Virginia to the extent that the item of income is includable in the computation of federal taxable income.

Line 2: **Federal deductions attributable to income from sources within Virginia.** Enter the federal deductions attributable to the income reported on Line 1 above.

Line 3: **Net Virginia source income.** Subtract the amount reported on Line 2 from the income reported on Line 1 and enter the result here.

Line 4: **Allocation of Virginia source income.** Line 4 is used to report the allocation of income among the fiduciary and the beneficiaries. Income will be allocated to the fiduciary only if the income is accumulated during the taxable year and, as in the case of a complex trust, not all of the income is distributed currently.

Virginia source income must be allocated to each beneficiary based on his or her proportionate share of the federal distributable net income. For example, if 50% of the estate's or trust's federal distributable net income is allocated to a beneficiary from Form 1041 or Schedule K-1, then 50% of the net Virginia source income should be allocated to that beneficiary.

Complete the allocation schedule provided on Lines 4(a) through 4(c) or enclose a schedule of computation if more space is needed.

Line 5: **Deduction for distributions to beneficiaries.** Enter the amount from Line 4a, Column 4 or Line 4a, Column 2, whichever is less.

Line 6: **Fiduciary's share of Virginia source income.** Sum of Line 4b, Column 4 or Line 4b, Column 2, whichever is less, plus Line 4b, Column 5.

Line 7: **Exemption from federal Form 1041.** Enter the amount of the federal exemption allowed on federal Form 1041.

Line 8: **Income taxable to fiduciary.** Subtract Line 7 from Line 6. Enter the result here and on Schedule 1, Line 1 of Form 770.

SCHEDULE 3 - MODIFICATIONS

Fixed Date Conformity Update

Virginia's date of conformity with the Internal Revenue Code (IRC) was advanced from December 31, 2014 to December 31, 2015, with limited exceptions.

Bonus Depreciation: Virginia will continue to disallow any bonus depreciation claimed for certain assets under IRC § 168(k) during Taxable Year 2001 and thereafter. Virginia will also continue to disallow bonus depreciation claimed under IRC §§ 168(l), 168(m), 1400L, and 1400N. To the extent that such bonus depreciation was claimed for federal income tax purposes, the depreciation deduction must be recomputed for Virginia income tax purposes. For taxable years when the recomputed Virginia depreciation deduction is less than the federal deduction, the taxpayer must claim a Virginia addition equal to the difference. For taxable years when the recomputed Virginia depreciation deduction is more than the federal deduction, the taxpayer may claim a Virginia subtraction equal to the difference.

Applicable High Yield Discount Obligations: Virginia will continue to deconform from IRC § 163(e)(5)(F), which suspends the application of the applicable high yield debt obligation ("AHYDO") rules for certain debts issued between September 30, 2008, and December 31, 2009. For federal purposes, special rules generally apply to computing the interest deduction that applies to certain high-yield original issue discount obligations. Because Virginia will continue to deconform from the federal provision that suspends the AHYDO rules, such rules will continue to apply for Virginia income tax purposes. Any resulting difference in the federal and Virginia deduction should be claimed as a modification on your Virginia return.

Cancellation of Debt Income: Under IRC § 108(i), taxpayers were permitted to defer the income realized upon the reacquisition of certain business debt during 2009 and 2010, and instead report such income in Taxable Years 2014 through 2018.

Virginia deconformed from this federal provision and required taxpayers to claim a Virginia addition equal to the amount of the federal exclusion. However, for transactions completed on

or before April 21, 2010, taxpayers were permitted to partially defer such income by claiming the Virginia addition over three taxable years.

A taxpayer who previously claimed the Virginia cancellation of debt addition may claim a subtraction on his or her Taxable Year 2016 Virginia income tax return, to the extent such income was reported on his or her 2016 federal income tax return.

At the time these instructions went to print, the only required adjustments for "fixed date conformity" were those mentioned above. However, if federal legislation is enacted that results in changes to the IRC for the 2016 taxable year, taxpayers will be required to make adjustments to their Virginia returns that are not described in the instruction booklet. Information about any such adjustments will be posted on the Department's website at **www.tax.virginia.gov**.

PART I - ADDITIONS TO FEDERAL TAXABLE INCOME

Line 1: Interest on obligations of other states. Enter the amount of interest, less related expenses to the extent that it was not deducted in determining federal taxable income, on obligations of any state other than Virginia, or of a political subdivision of any such state unless it was created by a compact or agreement to which Virginia is a party.

If the estate or trust received federally exempt dividend income from a regulated investment company (mutual fund) that invested in obligations both taxable and exempt for Virginia purposes, the entire income must be reported unless a statement from the fund is enclosed that:

- details the dividends earned from the fund; and
- summarizes the prorations between exempt and taxable dividends (monthly breakdown preferred).

EXAMPLE: A trust receives dividends from a mutual fund that invests in obligations of Virginia and New York. The interest received from all of the obligations is exempt from federal taxation. The fund provides the following statement:

Dividend payments for 2016	$4,000
% of income from NY obligations	60%
% of income from VA obligations	40%

Based on this information, the trust may exclude 40% or $1,600 of the income from Virginia taxable income. Therefore, the trust would make an addition for only part of its mutual fund income, $2,400, and enclose the above statement to support the partial addition.

Line 2: Income taxes of this state or any other taxing jurisdiction. Enter the amount of income tax imposed by this state or any other taxing jurisdiction to the extent that such taxes were deducted in computing federal taxable income.

Line 3: Fixed Date Conformity Additions.

a: Bonus Depreciation. For an explanation, please see the section entitled, *Fixed Date Conformity Update*. Enter the amount that should be added to federal taxable income based upon the recomputation of allowable depreciation..... a _____

b: Other Fixed Date Conformity Additions from Supplemental Instructions. Adjustments resulting from net operating loss deduction carrybacks and applicable high yield discount obligations not included in federal adjusted gross income. If federal tax legislation passed after the printing deadline for these instructions, please refer to the Supplemental Fixed Date Conformity Instructions to determine if you are required to make any additional additions due to federal tax legislation. The Supplemental Fixed Date Conformity Instructions are available on the Department's website: **www.tax.virginia.gov**. If you are required to make any supplemental fixed date conformity additions, please enter the total amount of such additions on this line. Any amount of domestic production adjustment due to fixed date conformity should be entered on Line 4d.. ..... b _____

Enter the total of Lines a and b here and on Form 770, Schedule 1, Line 2FA and Schedule 3, Line 3. ..... TOTAL _____

Line 4: Other additions to federal taxable income. Enter the following amounts, if applicable, and enclose a schedule of computation with the return:

a. The amount of a lump sum distribution from a qualified retirement plan, less the minimum distribution allowance, and any amount excluded from federal taxable income solely by virtue of a fiduciary's election to use the averaging provisions under IRC § 402.

b. The amount necessary to prevent the deduction of any item properly deductible by the taxpayer in determining a tax under Virginia law prior to 1972.

c. 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.

d. Other income not included in federal taxable income, but subject to Virginia income tax.

Line 5: Total Additions. Add Lines 1 through 4 and enter the result.

PART II - SUBTRACTIONS FROM FEDERAL TAXABLE INCOME

Line 6: Income (interest, dividends or gains) from obligations or securities of the U.S. exempt from state income taxes, but not exempt from federal income taxes. Enter the income derived from obligations or the sale or exchange of obligations of the United States and on obligations or securities of any authority, commission or instrumentality of the United States to the extent that such income is exempt from state income taxes. The amount entered here should include, but is not limited to,

qualifying stocks, bonds, treasury bills and treasury notes.

Do not include interest on federal tax refunds, equipment purchase contracts and other normal business transactions.

Only income received from direct obligations of the United States is eligible for the subtraction. A partial list of federal organizations and the Virginia tax status of income received from investments in securities issued by those entities is shown below. The list is based on the Department's analysis of federal and state law as applicable to selected organizations. For organizations not listed below, additional information must be enclosed showing that the interest is exempt from Virginia income tax.

ISSUING ORGANIZATION	TAX STATUS
Export-Import Bank of the United States	Exempt
Federal Home Loan Bank (FHLB)	Exempt
Federal Home Loan Mortgage Corporation (FHLMC)	Taxable
Federal Intermediate Credit Bank	Exempt
Federal Land Bank	Exempt
Federal National Mortgage Association (FNMA)	Taxable
Government National Mortgage Association (GNMA)	Taxable
Inter-American Development Bank	Taxable
International Bank for Reconstruction & Development	Taxable
Student Loan Market Association (SLMA)	Exempt
United States Savings Bonds	Exempt
United States Treasury Bills, Notes, and Bonds	Exempt

If the estate or trust received income from a regulated investment company (mutual fund) that invested in obligations both taxable and exempt for Virginia purposes, the entire income must be reported as taxable unless a statement from the fund is enclosed that:

- details the amount of income earned from the fund; and
- summarizes the prorations between exempt and taxable income (monthly breakdown preferred).

If the estate or trust is provided the information specified above, enter the exempt portion of income. A copy of the statement from the fund must be enclosed with the return to support the subtraction.

Line 7: **Any state income tax refund or credit reported as "other income" on federal Form 1041.** Enter any state income tax refund or credit included in the estate's or trust's income on Form 1041.

Line 8: **Fixed Date Conformity Subtractions.**

a: Bonus Depreciation. For an explanation, see the section entitled, *Fixed Date Conformity Update*. Enter the amount that should be subtracted from federal taxable income based upon the recomputation of allowable depreciation. ..... a _____

b: Other Fixed Date Conformity Subtractions from the Supplemental Instructions. Adjustments resulting from net operating loss deduction carrybacks and applicable high yield discount obligations included in federal adjusted gross income. If federal tax legislation is passed after the printing deadline for these instructions, please refer to the Supplemental Fixed Date Conformity Instructions to determine if you are required to make any additional subtractions due to federal tax legislation. The Supplemental Fixed Date Conformity Instructions are available on the Department's website: **www.tax.virginia.gov**. Enter the total Supplemental Fixed Date Conformity subtractions here..... b _____

Enter the total of Lines a and b here and on Form 770 Schedule 1, Line 2FS and Schedule 3, Line 8. TOTAL ..... _____

Line 9: **Other subtractions from federal taxable income.** Enter the following amounts, if applicable, and enclose a schedule of computation with the return.

a. The amount of income on obligations or sales and exchanges of obligations of this state or of any political subdivision or instrumentality of this state included in federal taxable income.

b. The amount of wages or salaries eligible for the federal work opportunity tax credit which was not deducted for federal purposes on account of the provisions of IRC § 280C(a).

c. The amount of Tier 1 Railroad Retirement Act benefits, Tier 2 vested dual benefits and other Railroad Retirement Act benefits, and Railroad Unemployment Insurance Act benefits included in federal taxable income.

d. Transitional modifications provided in *Va. Code* § 58.1-315.

e. A deduction, not to exceed $4,000 per account per year, for the amount paid or contributed to a prepaid tuition contract or a college savings trust account entered into with the Virginia College Savings Plan. Do not include any amount that was deducted on the federal return.

f. Allows the income from dealer dispositions of property made on or after January 1, 2009, to be recognized under the installment method at the election of the taxpayer, provided that (i) the election relating to the dealer disposition of the property has been made on or before the due date prescribed by law for filing the taxpayer's income tax return, and (ii) the dealer disposition is in accordance with restrictions and conditions established by the Department.

g. To the extent included in federal taxable 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.

h. Other income included in federal taxable income, but exempt from Virginia income tax.

Line 10: **Total subtractions.** Add Lines 6 through 9 and enter the total here.

Line 11: **Net Virginia modifications.** Subtract Line 10 from Line 5 and enter the difference.

Line 12: **Net Virginia modifications allocated to the fiduciary.** Multiply Line 11 by the fiduciary's percentage of federal distributable net income. *Enter the result here and:*

If Line 5 is larger than Line 10,

Enter the amount from Line 12 above on Line 2(a) of Schedule 1. This is a net ADDITION.

If Line 5 is not larger than Line 10,

Enter the amount from Line 12 above on Line 2(b) of Schedule 1. This is a net SUBTRACTION.

Net Virginia Modifications Allocated to the Beneficiaries

Each beneficiary must be provided a statement of income and modifications for use in completing the individual income tax return. See "Allocation of Income to Beneficiaries" in Section II of these instructions for more information.

SCHEDULE 4 - COMPUTATION OF THE CREDIT FOR TAX PAID TO ANOTHER STATE

If a credit is being claimed for taxes paid by the fiduciary to another state, complete Lines 1 through 7 of Schedule 4 on Form 770 to compute the allowable credit. See "CREDIT FOR TAX PAID TO ANOTHER STATE" in Section IV of these instructions for more information. A complete copy of the return filed with any state for which a credit is claimed must be enclosed. If a credit is being claimed for taxes paid to more than 1 other state, a separate computation must be enclosed for each state (following the format of Form 770, Schedule 4).

Line 1: **Taxable income reported on another state's return.** Enter the taxable income on which the tax in the other state is based. Enclose a copy of the return filed in the other state to support the amount claimed.

Line 2: **Virginia taxable income.** Enter the taxable income from Schedule 1, Line 3 of Form 770.

Line 3: **Total income tax paid to another state.** Enter the income tax paid to another state. Also enter the name of the other state.

Line 4: **Virginia income tax.** Enter the tax from Schedule 1, Line 4 of Form 770.

Line 5: **Allowable percentage for credit.**
Resident Estate or Trust: Divide Line 1 by Line 2, and enter the result to 1 decimal place (example: 10.5%). Do not enter more than 100%.

Nonresident Estate or Trust: Divide Line 2 by Line 1, and enter the result to 1 decimal place (example: 10.5%). Do not enter more than 100%.

Line 6: ***Resident Estate or Trust:*** Multiply Line 5 by Line 4.

Nonresident Estate or Trust: Multiply Line 5 by Line 3.

Line 7: **Allowable credit.**

Resident Estate or Trust: Enter the smaller amount from Line 3 or Line 6.

Nonresident Estate or Trust: Enter the smaller amount from Line 4 or Line 6. Also enter this amount on Line 5(d) of Schedule 1.

SCHEDULE 5 - COMPUTATION OF CREDIT TO TAX AND QUALIFYING INCOME

Schedule 5 is used to allocate the approved tax credits among the beneficiaries and the fiduciary. Lines (a) through (d) should be used for the beneficiaries, and Line (e) should be used for the fiduciary. If you need additional lines, you may enclose a supplementary schedule with the return following the format shown on Form 770. The credits and the qualifying income must be allocated according to each person's share of the federal distributable; net income, using the percentages from Form 1041 or Schedule K-1.

Columns 1 and 2: Name and social security number and percentage. Enter the name and social security number of each beneficiary and the appropriate distribution percentage.

Column 3: Allocation of Neighborhood Assistance Act Tax Credit. Enter the total authorized Neighborhood Assistance Act Tax Credit on Line (f) in the appropriate column.

Multiply the amount on Line (f) by the percentages in Column 2 for each beneficiary [lines (a) through (d)] and the fiduciary [Line (e)], and enter the results on the appropriate Lines in Column 3 used to claim the credit.

Enter the fiduciary's share of the Neighborhood Assistance Act Tax Credit [Column 3, Line (e)] on Line 5(e) on Schedule 1.

A copy of the Neighborhood Assistance Act Tax Credit Certificate(s) must be enclosed to support the credit claimed.

Columns 4 - 7: Allocation of the Enterprise Zone Tax Credits. Form 301 and a copy of the certificate of qualification from the Virginia Department of Housing and Community Development must be enclosed to support any Enterprise Zone Tax Credit claimed. Compute the fiduciary's Enterprise Zone Credit on Form 301 and enter the result on Form 770, Schedule 1, Line 5(f).

Column 4: Allocation of Enterprise Zone Qualifying Income. Enter the total Enterprise Zone qualifying income on Line (f). This is the amount of income derived from a qualified business operating within an enterprise zone.

Multiply the amount on Line (f) by the percentages shown in Column 2 for each beneficiary [lines (a) through (d)] and the fiduciary [Line (e)]. Enter the results on the appropriate Lines in Column 4.

The amount of qualifying income attributable to the fiduciary is used to compute the fiduciary's general tax credit portion of the Enterprise Zone Tax Credit on Form 301.

Column 5: Allocation of Enterprise Zone State Unemployment Tax Credit. Compute the total Unemployment Tax Credit using the instructions on Form 301 and enter the result on Line (f).

Multiply the amount on Line (f) by the percentages shown in Column 2 for each beneficiary [Lines (a) through (d)] and the fiduciary [Line (e)]. Enter the results on the appropriate lines in Column 5.

The beneficiary will use this credit when computing the State Unemployment Tax Credit portion of the Enterprise Zone Act Credit on Form 301.

Enclose a copy of the Certificate of Unemployment Tax Credit from the Virginia Employment Commission to support any credit claimed.

Column 6: Space reserved for future use.

Column 7: Allocation of Enterprise Zone Investment Tax Credit. Compute the total Enterprise Zone Investment Tax Credit using the instructions on Form 301 and enter the result on Line (f). Multiply the amount on Line (f) by the percentages shown in Column 2 for each beneficiary [Lines (a) through (d)] and the fiduciary [Line (e)]. Enter the results on the appropriate lines in Column 7.

The beneficiaries will use this credit when computing the Investment Tax Credit portion of the Enterprise Zone Act Credit on Form 301.

Columns 8 - 11: Other credits. Enter the name of the credit being claimed on the appropriate line of Column 8. If more than one credit is being claimed, enter the additional credit information on Columns 9-11, as necessary.

Allocation of Major Business Facility Job Tax Credit. Enter the amount of Major Business Facility Job Tax Credit authorized by the Department on Line (f). Multiply the amount on Line (f) by the percentages shown in Column 2 for each beneficiary [lines (a) though (d)] and the fiduciary [Line (e)]. Enter the results on the appropriate Lines. Enter the fiduciary's share of the Major Business Facility Job Tax Credit [Line (e)] on Line 5(g) of Schedule 1.

Allocation of Historic Rehabilitation Tax Credit. Enter the total Historic Rehabilitation Tax Credit allowed on Line (f). Multiply the amount on Line (f) by the percentages in Column 2 for each beneficiary [Lines (a) through (d)] and the fiduciary [Line (e)]. Enter the results on the appropriate lines. Enter the fiduciary's share of Historic Rehabilitation Tax Credit [Line (e)] on Line 5(h) of Schedule 1. A copy of the credit certificate issued by the Virginia Department of Historic Resources must be enclosed with the return in order to claim this credit.

Allocation of Barge and Rail Usage Tax Credit. Enter the total Barge and Rail Tax Credit allowed on Line (f). Multiply the amount on Line (f) by the percentages shown in Column 2 for each beneficiary [Lines (a) through (d)] and the fiduciary [Line (e)]. Enter the results in the appropriate lines. Enter the fiduciary's share [Line (e)] on Line 5(j) of Schedule 1.

Allocation of Worker Retraining Tax Credit. Enter the total Worker Retraining Tax Credit allowed on Line (f). Multiply the amount on Line (f) by the percentages shown in Column 2 for each beneficiary [Lines (a) through (d)] and the fiduciary [Line (e)]. Enter the results in the appropriate lines. Enter the fiduciary's share [Line (e)] on Line 5(l) of Schedule 1.

Allocation of Qualified Equity and Subordinated Debt Investments Tax Credit. Enter the total Qualified Equity and Subordinated Debt Investments Tax Credit allowed on Line (f). Multiply the amount on Line (f) by the percentages shown in Column 2 for each beneficiary [Lines (a) through (d)] and the fiduciary [Line (e)]. Enter the results in the appropriate lines. Enter the fiduciary's share [Line (e)] on Line 5(m) of Schedule 1.

Allocation of Coalfield Employment Enhancement Tax Credit and Virginia Coal Employment and Production Incentive Tax Credit - Full Tax Credit. Enter the total Coalfield Employment Enhancement Tax Credit and Virginia Coal Employment and Production Incentive Tax Credit - Full Tax Credit allowed on Line (f). Multiply the amount on Line (f) by the percentages shown in Column 2 for each beneficiary [Lines (a) through (d)] and the fiduciary [Line (e)]. Enter the results in the appropriate lines. Enter the fiduciary's share [Line (e)] on Line 5(n) of Schedule 1.

Allocation of Coalfield Employment Enhancement Tax Credit and Virginia Coal Employment and Production Incentive Tax Credit - Excess Tax Credit. Enter the total Coalfield Employment Enhancement Tax Credit and Virginia Coal Employment and Production Incentive Tax Credit - Excess Tax Credit allowed on Line (f). Multiply the amount on Line (f) by the percentages shown in Column 2 for each beneficiary [Lines (a) through (d)] and the fiduciary [Line (e)]. Enter the results in the appropriate lines. Enter the fiduciary's share [Line (e)] on Line 5(o) of Schedule 1.

Allocation of Land Preservation Tax Credit. Enter the total Land Preservation Tax Credit allowed on Line (f). Multiply the amount on Line (f) by the percentages shown in Column 2 for each beneficiary [Lines (a) through (d)] and the fiduciary [Line (e)]. Enter the results on the appropriate lines. Enter the fiduciary's share [Line (e)] on Line 5(q) of Schedule 1.

Allocation of Coalfield Employment Enhancement Tax Credit and Virginia Coal Employment and Production Incentive Tax Credit Earned. Compute the total Coalfield Employment Enhancement Tax Credit and Virginia Coal Employment and Production Incentive Tax Credit on Form 306 and enter the earned amount on Line (f). Multiply the amount on Line (f) by the percentages shown in Column 2 for each beneficiary and the fiduciary. Enter the results on the appropriate lines. Enter the fiduciary's share on Line 10 of Schedule 1.

2016 Income Tax Return Mailing Addresses and Locality Codes

Mail your income tax return to your **Commissioner of the Revenue** at the address below or directly to the **Department of Taxation, P.O. Box 760, Richmond, Virginia, 23218-0760.**

*** Denotes Director of Finance** **** Denotes Director, Department of Tax Administration**

001 Accomack County	757-787-5747	P.O. Box 186	Accomac 23301-0186
003 Albemarle Co. *	434-296-5851	P.O. Box 1498	Richmond 23218
510 Alexandria City*	703-746-3909	P.O. Box 1498	Richmond 23218
005 Alleghany County	540-863-6640	9212 Winterberry Ave., Ste. E	Covington 24426
007 Amelia County	804-561-2158	P.O. Box 269	Amelia 23002
009Amherst County	434-946-9310	P.O. Box 719	Amherst 24521
011 Appomattox Co.	434-352-7450	P.O. Box 125	Appomattox 24522
013 Arlington County	703-228-3055	P.O. Box 1498	Richmond 23218
015 Augusta County	540-245-5640	P.O. Box 959	Verona 24482
017 Bath County	540-839-7231	P.O. Box 130	Warm Springs 24484
019 Bedford County	540-586-7621	122 E. Main St. Ste. 103	Bedford 24523
021 Bland County	276-688-4291	P.O. Box 130	Bland 24315
023 Botetourt County	540-928-2050	P.O. Box 128	Fincastle 24090-0128
520 Bristol City	276-645-7316	497 Cumberland St., Ste. 1-A	Bristol 24201
025 Brunswick County	434-848-2313	P.O. Box 669	Lawrenceville 23868
027 Buchanan County	276-935-6542	P.O. Box 1042	Grundy 24614
029 Buckingham Co.	434-969-4972	P.O. Box 138	Buckingham 23921
530 Buena Vista City	540-261-8610	2039 Sycamore Ave.	Buena Vista 24416
031 Campbell County	434-332-9518	P.O. Box 66	Rustburg 24588
033 Caroline County	804-633-4050	P.O. Box 819	Bowling Green 22427
035 Carroll County	276-730-3080	P.O. Box 1498	Richmond 23218
036 Charles City Co.	804-652-2161	P.O. Box 1498	Richmond 23218
037 Charlotte County	434-542-5546	P.O. Box 308	Charlotte C.H. 23923
540 Charlottesville City	434-970-3160	P.O. Box 2964	Charlottesville 22902-2964
550 Chesapeake City	757-382-6732	P.O. Box 15285	Chesapeake 23328-5285
041 Chesterfield Co.	804-748-1281	P.O. Box 124	Chesterfield 23832
041 Clarke County	540-955-5108	P.O. Box 67	Berryville 22611
570 Colonial Heights City	804-520-9280	P.O. Box 3401	Colonial Heights 23834
580 Covington City	540-965-6350	P.O. Drawer 58	Covington 24426-0058
045 Craig County	540-864-6241	P.O. Box 186	New Castle 24127
047 Culpeper County	540-727-3443	P.O. Box 1807	Culpeper 22701
049 Cumberland Co.	804-492-4280	P.O. Box 77	Cumberland 23040
590 Danville City	434-799-5145	P.O. Box 480	Danville 24543
051 Dickenson County	276-926-1646	P.O. Box 1067	Clintwood 24228
053 Dinwiddie County	804-469-4500	P.O. Box 104	Dinwiddie 23841
595 Emporia City	434-634-5405	P.O. Box 956	Emporia 23847
057 Essex County	804-443-4737	P.O. Box 879	Tappahannock 22560
600 Fairfax City	703-385-7880	Rm. 224, City Hall	10455 Armstrong St. Fairfax 22030
059 Fairfax County **	703-222-8234	P.O. Box 1498	Richmond 23218
610 Falls Church City	703-248-5065	300 Park Avenue, #104-E	Falls Church 22046-3301
061 Fauquier County	540-422-8163	P.O. Box 149	Warrenton 20188-0149
063 Floyd County	540-745-9345	P.O. Box 1498	Richmond 23218
065 Fluvanna County	434-591-1940	P.O. Box 1498	Richmond 23218
620 Franklin City	757-562-1157	P.O. Box 389	Franklin 23851-0389
067 Franklin County	540-483-3083	1255 Franklin St., Ste. 102	Rocky Mt. 24151
069 Frederick County	540-665-5681	P.O. Box 1498	Richmond 23218
630 Fredericksburg City	540-372-1004	P.O. Box 644	Fredericksburg 22404
640 Galax City*	276-236-2528	P.O. Box 1498	Richmond 23218
071 Giles County	540-921-3321	130 N. Main St.	Pearisburg 24134
073 Gloucester County	804-693-3451	6489 Main St, Suite 137	Gloucester 23061
075 Goochland County	804-556-5807	P.O. Box 60	Goochland 23063
077 Grayson County	276-773-2381	P.O. Box 126	Independence 24348
079 Greene County	434-985-5211	P.O. Box 1498	Richmond 23218
081 Greensville Co.	434-348-4227	1781 Greensville County Circle	Room 132 Emporia 23847
083 Halifax County	434-476-3314	P.O. Box 1847	Halifax 24558
650 Hampton City	757-727-6690	P.O. Box 636	Hampton 23669-0636
085 Hanover County	804-365-6129	P.O. Box 129	Hanover 23069
660 Harrisonburg City	540-432-7704	409 S. Main St.	Harrisonburg 22801-7531
087 Henrico County *	804-501-4263	P.O. Box 1498	Richmond 23218
089 Henry County	276-634-4690	P.O. Box 1077	Collinsville 24078-1077
091 Highland County	540-468-2142	P.O. Box 148	Monterey 24465
670 Hopewell City	804-541-2237	P.O. Box 1604	Hopewell 23860
093 Isle of Wight Co.	757-365-6222	P.O. Box 107	Isle of Wight 23397-0107
095 James City Co.	757-253-6695	P.O. Box 283	Williamsburg 23187
097 King and Queen Co.	804-785-5976	P.O. Box 178	King & Queen Courthouse 23085
099 King George Co.	540-775-4664	10459 Courthouse Dr.	Suite 101 King George 22485-3865
101 King William Co.	804-769-4941	P.O. Box 217	King William 23086
103 Lancaster County	804-462-7920	8311 Mary Ball Rd.	Room 203 Lancaster 22503
105 Lee County	276-346-7722	P.O. Box 96	Jonesville 24263
678 Lexington City	540-462-3701	300 E. Washington St., Rm. 103	Lexington 24450
107 Loudoun County	703-777-0260	P.O. Box 1498	Richmond 23218
109 Louisa County	540-967-3432	P.O. Box 8	Louisa 23093
111 Lunenburg County	434-696-2516	11512 Courthouse Rd., Ste. 101	Lunenburg 23952
680 Lynchburg City	434-455-3870	P.O. Box 858	Lynchburg 24505-0858
113 Madison County	540-948-4421	P.O. Box 56	Madison 22727
683 Manassas City	703-257-8222	P.O. Box 1498	Richmond 23218
685 Manassas Park City	703-335-8825	One Park Center Ct.	Manassas Park 20111
690 Martinsville City	276-403-5131	P.O. Box 1222	Martinsville 24114-1222
115 Mathews County	804-725-7168	P.O. Box 1498	Richmond 23218
117 Mecklenburg County	434-738-6191	P.O. Box 360	Boydton 23917
119 Middlesex County	804-758-5331	P.O. Box 148	Saluda 23149-0148
121 Montgomery Co.	540-382-5710	755 Roanoke St., Ste. 1-A	Christiansburg 24073
125 Nelson County	434-263-7070	P.O. Box 246	Lovingston 22949
127 New Kent County	804-966-9610	P.O. Box 1498	Richmond 23218
700 Newport News City	757-926-8653	2400 Washington Ave.	Newport News 23607
710 Norfolk City	757-664-7885	P.O. Box 2260	Norfolk 23501-2260
131 Northampton Co.	757-678-0446	P.O. Box 65	Eastville 23347
133 Northumberland Co.	804-580-4600	P.O. Box 309	Heathsville 22473
720 Norton City	276-679-0031	P.O. Box 347	Norton 24273
135 Nottoway County	434-645-9317	P.O. Box 5	Nottoway 23955
137 Orange County	540-672-4441	P.O. Box 389	Orange 22960
139 Page County	540-743-4909	103 S. Court St., Suite C	Luray 22835
141 Patrick County	276-694-7131	P.O. Box 1498	Richmond 23218
730 Petersburg City	804-733-2317	135 N. Union St.	Petersburg 23803
143 Pittsylvania Co.	434-432-7940	P.O. Box 272	Chatham 24531
735 Poquoson City	757-868-3020	500 City Hall Ave.	Poquoson 23662
740 Portsmouth City	757-393-8773	801 Crawford St.	Portsmouth 23704
145 Powhatan County	804-598-5616	3834 Old Buckingham Rd., Ste. C	Powhatan 23139
147 Prince Edward Co.	434-392-3231	P.O. Box 446	Farmville 23901
149 Prince George Co.	804-722-8740	P.O. Box 155	Prince George 23875
153 Prince William Co.*	703-792-6710	P.O. Box 1498	Richmond 23218
155 Pulaski County	540-980-7750	52 West Main Street, Ste. 200	Pulaski 24301
750 Radford City	540-731-3613	619 Second St., Rm. 161	Radford 24141
157 Rappahannock Co.	540-675-5370	P.O. Box 115	Washington 22747
760 Richmond City	804-646-6474	P.O. Box 1498	Richmond 23218
159 Richmond County	804-333-3722	P.O. Box 366	Warsaw 22572
770 Roanoke City	540-853-6543	P.O. Box 718	Roanoke 24004
161 Roanoke County	540-772-2049	P.O. Box 21709	Roanoke 24018
163 Rockbridge Co.	540-463-3431	P.O. Box 1160	Lexington 24450
165 Rockingham Co.	540-564-3000	20 E. Gay St.	Harrisonburg 22802
167 Russell County	276-889-8018	P.O. Box 517	Lebanon 24266
775 Salem City	540-375-3019	P.O. Box 869	Salem 24153-0869
169 Scott County	276-386-7692	190 Beech Street, Suite 104	Gate City 24251
171 Shenandoah Co.	540-459-6170	P.O. Box 1498	Richmond 23218
173 Smyth County	276-782-4040	P.O. Box 985	Marion 24354
175 Southampton Co.	757-653-3032	P.O. Box 1498	Richmond 23218
177 Spotsylvania Co.	540-507-7054	P.O. Box 175	Spotsylvania 22553
179 Stafford County	540-658-4132	P.O. Box 98	Stafford 22555-0098
790 Staunton City	540-332-3829	P.O. Box 4	Staunton 24402-0004
800 Suffolk City	757-514-4260	P.O. Box 1459	Suffolk 23439-1459
181 Surry County	757-294-5225	P.O. Box 35	Surry 23883
183 Sussex County	434-246-1030	P.O. Box 1398	Sussex 23884
185 Tazewell County	276-385-1235	101 E. Main St., Ste. 201	Tazewell 24651
810 Virginia Beach City	757-385-4483	2401 Courthouse Dr., Bldg.1, Rm. 121	Virginia Beach 23456-9002
187 Warren County	540-635-2651	P.O. Box 1775	Front Royal 22630-0038
191 Washington Co.	276-676-6270	One Government Center Place, Ste. C	Abingdon 24210
820 Waynesboro City	540-942-6610	503 W. Main St., Rm. 107	Waynesboro 22980
193 Westmoreland Co.	804-493-9052	P.O. Box 68	Montross 22520
830 Williamsburg City	757-220-6150	P.O. Box 245	Williamsburg 23187
840 Winchester City	540-667-1815	P.O. Box 546	Winchester 22604
195 Wise County	276-328-3556	P.O. Box 1278	Wise 24293
197 Wythe County	276-223-6015	225 S. 4th St., Rm. 101	Wytheville 24382
199 York County	757-890-3381	P.O. Box 90	Yorktown 23690-0090
300 Unassigned	804-367-8031	P.O. Box 1498	Richmond 23218