

Virginia Bank Franchise Tax

2024 Form 64, Schedules, and Instructions



Commonwealth of Virginia
Department of Taxation
Richmond, Virginia

(804) 404-4215

www.tax.virginia.gov

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References are to the Code of Virginia, unless otherwise noted. The laws of Virginia relating to the Bank Franchise Tax are covered in *Va. Code* §§ 58.1-1200 through 58.1-1217.

GENERAL INSTRUCTIONS

Who Must File Form 64

1. Every incorporated bank, banking association, savings bank that is a member of the federal reserve system, or trust company organized by or under the authority of the laws of the Commonwealth; and
2. Every bank or banking association organized by or under the authority of the laws of the United States or any other state, which is doing business or has an office in the Commonwealth, or whose charter designates any place within the Commonwealth as the place of business of its principal office, whether or not such bank or banking association is authorized to transact business as a trust company; and
3. Every joint stock land bank or other bank organized under the authority of the laws of the United States upon which the Commonwealth is authorized to impose a tax.

Every entity that is a bank (as defined above) as of January 1, 2024, must file a return.

Merging Banks

If any banks merged into the filing bank during the tax year, a schedule should be included showing the U.S. obligations for the individual bank reports of condition filed by the filing bank prior to the merger.

Branch Banks

Each bank that has as of the beginning of any tax year a bank located in any locality other than the locality in which such bank's principal office is located must maintain a record of the deposits made through such branch.

Interstate Branch Banks

Legislation enacted by the 1995 General Assembly allows Virginia to "opt-in" to interstate branch banking as authorized by federal legislation. It also amends the definition of "bank" for Bank Franchise Tax purposes to recognize that an out-of-state

bank with a branch in Virginia will be subject to the same tax as Virginia banks.

In the event that a multi-state bank becomes subject to the Bank Franchise Tax, the Department permits multi-state banks that are accepting deposits at branch offices in another state, including the District of Columbia, to apportion net capital based on a deposit oriented methodology similar to that currently specified by the General Assembly for apportionment among Virginia localities. However, for purposes of interstate apportionment, the existing statutory method must be modified to reflect "core" deposits and exclude time certificates of deposit of \$100,000 or more.

Those that do not accept deposits must request permission from the Tax Commissioner to use an alternative method of apportionment. In order to request an alternative method, the bank must:

- file a return using an alternative method of apportioning capital;
- provide a statement regarding why the statutory method is inapplicable or inequitable as applied to the taxpayer; and
- submit an explanation of the proposed method of apportionment in sufficient detail for the Department to make a meaningful review.

In Public Document 11-182 (11/3/11), the Department developed an alternative method of apportioning a bank's capital subject to Bank Franchise Tax based on *Va. Code* § 58.1-409. This single property factor is a fraction, the numerator of which is the value of real and tangible property owned by the bank on December 31 plus annualized rents for 12 months immediately preceding December 31 used in Virginia, and the denominator of which is the value of real and tangible property owned by the bank on December 31 plus annualized rents for 12 months immediately preceding December 31 used everywhere.

The single property factor is only applicable when a bank, which meets the definition of "bank" under *Va. Code* § 58.1-1201, has one or more branches, offices, or facilities in Virginia but no deposits attributed to any branch, office, or facility in Virginia. This alternative method will not cause an out-of-state

bank that merely owns property in Virginia (such as foreclosed homes), but does not transact a banking business at any of its Virginia properties, to be subject to the Bank Franchise Tax in lieu of the corporate income tax. See Title 23 of the Virginia Administrative Code (VAC) 10-120-20 B 2.

Banks in Receivership or Liquidation

When the affairs of any bank are being finalized under *Va. Code* § 6.2-912 et seq. or under comparable provisions of the National Banking Act, a return of the assets on hand as of January 1 of each year shall be made by those having custody or control of the assets. No tax will be assessed during the period of liquidation. If any surplus remains after payment of all creditors and depositors, the liquidating officers shall ascertain the net capital of the bank just prior to each January 1 during the period of liquidation and pay the appropriate tax before any distribution of surplus. No penalty for late payment will be assessed on such payments.

When to File

Form 64 and all accompanying schedules must be filed on or before March 1 of each tax year. There are no provisions for an extension of time.

Where to File

Form 64 and all accompanying schedules (Schedules C – H) must be filed in DUPLICATE with the Commissioner of the Revenue for the city or county in which the principal office of the bank or trust company is located. Mailing addresses for the Commissioners of the Revenue are listed on the last page of the instructions. A bank that was formerly headquartered in Virginia should continue to file with the locality in which its principal office was located. Banks that move into Virginia should file with the locality where the first branch is established. Banks that move into Virginia via the purchase of a Virginia bank should file in the locality of the former Virginia bank’s principal office. In addition, the bank must file copies of Schedules C and H with the assessing officer of each locality imposing tax on the filing bank. No payment should be submitted with Form 64.

For additional information, call or write to:

Virginia Department of Taxation
P.O. Box 715
Richmond, VA 23218-0715
(804) 404-4215

You can obtain most tax forms at www.tax.virginia.gov. Tenemos servicios disponible en Español.

Assessment of Tax

The Department will issue a Notice of Assessment to each bank on or about May 1 of the taxable year.

Payment of Tax

Payment must be made on or before June 1 of the taxable year. The local tax should be paid directly to the Treasurer or designated official of each city, county, or incorporated town imposing the tax. Banks are not required to file local tax payment receipts with the Department.

Penalty

Any bank which fails to file a return and pay the state tax will be subject to a penalty of 5% of the tax due.

Interest

Interest at the rate established by *Va. Code* § 58.1-15 will be added to the tax if it is not paid by the due date. The interest rate is the federal “underpayment rate” plus 2%.

Official Report of Condition and Income

You must enclose with Form 64, when filed, a complete copy of the official Report of Condition and Income (Call Report) required by the Comptroller of the Treasury, U.S. Department of the Treasury or the Bureau of Financial Institutions, State Corporation Commission, for the December 31 immediately preceding the current tax year. No other reports, newspaper copies, or other financial statements are acceptable.

Amended Returns

If it becomes necessary to adjust your original return, you may file an amended return by completing a new Form 64 return using the corrected figures as if it were an original. Write “Amended Return” on the top of the form to indicate that it is an adjusted return. The amended Form 64 and all accompanying schedules (Schedules C – H) must be filed in DUPLICATE with the Commissioner of the Revenue for the city or county in which the principal office of the bank or trust company is located. File the amended return within 3 years from the due date of the original return. See *Va. Code* § 58.1-1823.

FORM 64 INSTRUCTIONS

Line 1 – Equity Capital: For purposes of reporting “Equity Capital,” adjust the “Total Equity Capital” as reported on the Call Report by the amounts reported as unrealized gains or losses on available-for-sale securities.

Line 5 – U.S. Obligations Excluded: The deduction for obligations of the United States shall include all obligations of the United States exempt from state taxation under 31 U.S.C. § 3124, any other federal statute, or the U.S. Constitution.

U.S. obligations classified as “held to maturity” should be valued at amortized cost and U.S. obligations classified as “available for sale” should be valued at market value.

A partial list of organizations and their taxable status for purposes of the Virginia exclusion is given below. For information on organizations not listed, contact the Department at **(804) 404-4215**.

| Issuing Organization | Tax Status |
|--|------------|
| Armed Services Mortgage Insurance | Exempt |
| Asian Development Bank | Taxable |
| Banks for Cooperatives | Exempt |
| Commodity Credit Corporation | Exempt |
| Export-Import Bank of the United States | Exempt |
| Farmers Home Administration | Taxable |
| Federal Deposit Insurance Corporation (FDIC) | Exempt |
| Federal Farm Credit Bank (FFCB) | Exempt |
| Federal Financing Bank | Exempt |
| Federal Home Loan Bank (FHLB) | Exempt |
| Federal Home Loan Bank Stock | Exempt |
| Federal Home Loan Mortgage Corp. (FHLMC) | Taxable |
| Federal Housing Administration (FHA) | Taxable |
| Federal Intermediate Credit Bank | Exempt |
| Federal Land Bank | Exempt |
| Federal National Mortgage Association (FNMA) | Taxable |
| Federal Reserve Stock | Exempt |
| Federal Savings and Loan | Exempt |
| Financial Assistance Corporation | Exempt |
| Financing Corporation (FICO) | Exempt |
| General Services Administration (GSA) | Taxable |
| Government National Mortgage Assn. (GNMA) | Taxable |
| Guam, Government of | Exempt |

| Issuing Organization | Tax Status |
|---|------------|
| Federal Savings & Loan Insurance Corp. (FSLIC) | Exempt |
| Inter-American Development Bank | Taxable |
| International Bank for Reconstruction & Development | Taxable |
| Maritime Administration | Taxable |
| Mutual Mortgage Insurance Fund | Exempt |
| National Defense Housing Insurance | Exempt |
| Private Export Funding Corporation (PEFCO) | Taxable |
| Production Credit Association | Exempt |
| Puerto Rico, Government of | Exempt |
| Rental Housing Insurance | Exempt |
| Resolution Trust Commission (RTC) | Exempt |
| Samoa, American | Exempt |
| Small Business Administration (SBA) | Taxable |
| State & Local Issued Obligations | Taxable |
| Student Loan Market Association (SLMA) | Exempt |
| Tennessee Valley Authority (TVA) | Exempt |
| United States Savings Bonds | Exempt |
| United States Postal Service | Exempt |
| United States Treasury Bills, Notes, and Bonds | Exempt |
| United States Gov't Guaranteed Notes-HUD | Taxable |
| Virgin Islands, Government of | Exempt |
| War Housing Insurance | Exempt |

- Transacting business as of September 30, 2023, but not before July 1, 2023, \$.50 of tax per \$100 of net taxable capital.
- Transacting business as of December 31, 2023, but not before October 1, 2023, \$.25 of tax per \$100 of net taxable capital.

For purposes of the Tax Rate Schedule, “transacting business” means accepting deposits from customers in the regular course of doing business. A bank shall be eligible for the prorated tax rate with respect to the first return it is required to file after accepting deposits. A bank shall not be eligible for the prorated tax rate if it was organized or created as a part of a reorganization within the meaning of Internal Revenue Code § 368(a).

Banks operating for a full year are assessed at the rate of \$1 of tax per \$100 of net taxable capital. If the tax amount exceeds \$18 million, enter \$18 million on Line 16.

Line 19 – Nonrefundable Tax Credits: Enter the total nonrefundable tax credit amount calculated on Line 13A of the Schedule CR (Form 64).

Line 20 – Subtract the amount on Line 19 from the tentative state bank franchise tax on Line 18. This is the reduced liability after nonrefundable credits are applied.

Line 21 – Refundable Tax Credits: Enter the total refundable tax credit amount calculated on Line 14A of the Schedule CR (Form 64).

Line 22 – Bank Franchise Tax Due: If the adjusted bank franchise tax calculated on Line 20 is greater than the refundable credit amount (if any) on Line 21, subtract Line 21 from Line 20. This is the tax due amount.

Line 23 – Tax Overpayment: If the refundable tax credits reported on Line 21 are greater than the adjusted bank franchise tax on Line 20, subtract Line 20 from Line 21. This is the amount of your overpayment.

Line 7 – Goodwill Deduction: Banks are allowed to take a Bank Franchise Tax deduction of up to 90% of goodwill created in connection with the acquisition or merger of a bank on or after July 1, 2001, for purposes of determining a bank’s capital subject to the Bank Franchise Tax. The deduction is available for Bank Franchise Tax that is payable on or after January 1, 2002. The Goodwill Deduction may be claimed on Line 7 of Form 64. A separate schedule (not provided) indicating the amount of goodwill and showing the deduction computation must be enclosed.

Line 8 – Interest Related to Intangible Assets of Affiliates: When a bank receives interest from an affiliated corporation in connection with the acquisition, ownership, use, or disposition of patents, trademarks, copyrights and similar property by the affiliate, the deduction of interest may be disallowed on the affiliate’s Corporate Income Tax return. The bank would be allowed a deduction from its gross capital for any portion of the interest that the affiliate must add back under *Va. Code* § 58.1-402 B(9) provided that: (i) the interest added back by the affiliate was paid to the bank by the affiliate, (ii) at the time of the payment to the bank the affiliate was a “related member” as that term is defined in *Va. Code* § 58.1-302, and (iii) the interest has not otherwise been deducted or excluded from the bank’s gross capital. Report such interest on Line 8 of Form 64 and a statement providing the name, federal employer identification number, and Virginia account number of the affiliate together with a detailed explanation of the transaction generating the interest, the taxable year or years for which the addback was made by the affiliate, and the date on which the affiliate’s liability for the addback was finally determined.

Line 11 – Apportionment Percentage. Divide Virginia core deposits by total core deposits. Round the number to no more than 4 decimal places. The percentage cannot exceed 100%.

Line 16 – Tax Rate Schedule: Rates are provided for new banks that have not been in business for a full year before the January 1 date for valuing the taxable capital. The prorated tax rates are as follows:

- Transacting business on or before March 31, 2023, \$1 of tax per \$100 of net taxable capital.
- Transacting business as of June 30, 2023, but not before April 1, 2023, \$.75 of tax per \$100 of net taxable capital.

INSTRUCTIONS FOR SCHEDULE C (FORM 64)

The assessed value of the real estate listed on this schedule should be reported from the most recent assessment made prior to January 1, 2024. Real estate acquired or improvements constructed after January 1, 2024, should not be listed.

The following items may qualify for deduction:

1. Real estate owned by the bank.
2. Real estate used or occupied by the bank and held in the name of a majority owned subsidiary of the bank.
3. Real estate used or occupied by the bank and held in the name of a bank holding company that owns a majority of the capital stock of the bank, or in the name of any wholly owned subsidiary of such bank holding company.
4. The assessed value attributable to leasehold improvements owned by the bank (or used or occupied by the bank if owned by a qualified affiliate) up to the amount of the unencumbered equity, even though it was assessed in the name of the owner of the underlying land.
5. Real estate used or occupied by a majority owned subsidiary of the bank, if it was otherwise taxed to the subsidiary, up to that portion of the assessed value which represents the bank’s percentage of ownership of the subsidiary’s common stock (computation).
6. Real estate reacquired by a subsidiary upon foreclosure of mortgage loans, up to that portion of the assessed value which represents the bank’s percentage of ownership of the subsidiary’s common stock (enclose computation).

Real estate meeting any of the qualifications shown above must be owned, used, or occupied by the bank as of January 1, 2024. Any property sold prior to or acquired after that date does not qualify for the deduction. In addition, all real estate listed on this schedule must be subject to taxation under *Va. Code* § 58.1-3200 et seq.

INSTRUCTIONS FOR SCHEDULE CR (FORM 64)

Complete Schedule CR (Form 64) when claiming any tax credits to offset the bank franchise tax.

Many Virginia tax credits may not be claimed on your return until after you have submitted an application and have been notified in writing that you are allowed to claim the credit. If your return is due and you have not yet been notified, you have the option to either:

- Pay at least 90% of your tax liability by the return due date and file your return on extension after receiving notification, or
- File your return by the due date without claiming the credit, and file an amended return after you have received notification.

If the total of your nonrefundable credits exceeds the balance of the maximum nonrefundable credits available as shown in Part 1, Line 1A, the following rules will ensure that you receive the maximum benefit of your credits:

- Nonrefundable credits without a carryover provision are claimed first.
- Carryover credits must be fully used before any current year credits are allowed.
- To maximize allowable credit, carryover credits may be claimed in their order of expiration, regardless of the order shown on Schedule CR (Form 64).

Enterprise Zone Act Credit

This credit expired June 30, 2019. Only Enterprise Zone Real Property Investment Tax Credit carryover amounts from prior years are allowed. Use the worksheet below to determine the carryover amount that can be used on this year's tax return. Enclose the computation with your return.

- Line A:** Credit carried over from prior years:
\$ _____ .00
- Line B:** Allowable credit: Enter the amount from Line A or the maximum credit allowed:
\$ _____ .00
- Line C:** Amount to be carried over to next year (subtract Line B from Line A)
\$ _____ .00

Enter the allowable credit from Line B of the worksheet on Line 2A of Schedule CR (Form 64).

For additional information, contact:

**Virginia Department of Housing and Community Development
Community Revitalization & Development Office
Special Needs Housing
Main Street Centre
600 East Main Street, Suite 300
Richmond, VA 23219-1321
(804) 371-7171
ezone@dhcd.virginia.gov**

Neighborhood Assistance Act Tax Credit:

The Virginia Neighborhood Assistance Tax Act provides tax credits to businesses that donate money, marketable securities, property, limited professional services and contracting services 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. Licensed veterinarians, physicians, dentists, nurses, nurse practitioners, physician assistants, optometrists, dental hygienists, pharmacists, professional counselors, clinical social workers, clinical psychologists, marriage and family therapists, physical therapists, chiropractors, pharmacists and physician specialists who donate their services for an approved clinic, and mediators certified by the Judicial Council of Virginia may also be eligible for tax credits. In addition, a trust, or a fiduciary for a trust, may receive a tax credit for a donation made to an approved organization. The amount of credit attributable to a partnership, S corporation, or limited liability company must be allocated to the partners, shareholders, or members in proportion to their ownership or interest in the partnership, S corporation, or limited liability company. Any unused tax credits may be carried forward for the next 5 taxable years. To claim the tax credit, a certificate from the Department of Social Services or the Department of Education must be enclosed with your return.

For a list of approved organizations or additional information, contact:

**Virginia Department of Social Services
Neighborhood Assistance Program
801 E. Main Street
Richmond VA 23219-3301**

or the

**Virginia Department of Education
23rd Floor, P.O. Box 2120
Richmond, VA 23218-2120**

**ATTN: Neighborhood Assistance Tax
Credit Program for Education**

Email address: tax.credits@doe.virginia.gov

To claim the Neighborhood Assistance Act Tax Credit, complete Part 3 of Schedule CR (Form 64) and enclose a copy of the applicable certificate from the Department of Social Services or the Department of Education with your return.

Historic Rehabilitation Tax Credit

A bank or trust company incurring eligible expenses in the rehabilitation of a certified historic structure is entitled to claim a credit against the tax imposed by *Va. Code* § 58.1-1202. The credit is equal to 25% of eligible rehabilitation expenses. To qualify for this credit, 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. For taxable years beginning on and after January 1, 2017, the amount of the Historic Rehabilitation Tax Credit that may be claimed by each taxpayer, including carryover amounts, may not exceed \$5 million for any taxable year. 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. The request for certification of the completed project must be submitted within 1 year of the completed work. Any unused credit may be carried forward for 10 years. Applications for participation in the program may be obtained by contacting:

**Virginia Department of Historic Resources
2801 Kensington Avenue, Richmond, VA 23221
(804) 482-6446**

www.dhr.virginia.gov/tax-credits/

To claim this credit, complete Part 4 of Schedule CR (Form 64).

Major Business Facility Job Tax Credit

For taxable years beginning on and after January 1, 1995, but before July 1, 2025, 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 or if the company is engaged in a qualifying industry in Virginia and creates at least 50 new full-time jobs in Virginia. If a taxpayer is located in an enterprise zone or in an economically distressed area (as defined by the Virginia Economic Development Partnership), 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.

Qualifying industries include: (1) manufacturing or mining; (2) agriculture, forestry or fishing; and (3) transportation and telecommunications companies. A major business facility includes a headquarters or portion of such a facility located in Virginia, where the majority of the company's financial, personnel, legal, or planning functions are handled either on a regional or national basis. A major business facility shall also include facilities located in Virginia that perform a central management or administrative function for other establishments of the same enterprise such as general management, accounting, computing, tabulating, data processing, purchasing, transportation or shipping, engineering and systems planning, advertising, legal, financial, and research and development.

This nonrefundable credit is equal to \$1,000 per qualifying new job in excess of the 50/25 job threshold and is spread over 2 years for taxpayers whose initial 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 beginning with the taxable year following the year in which the facility is established or expanded, or the new qualifying jobs are added.

Any amount unused this year may be carried forward for the next 10 taxable years. Credits will be recaptured proportionately if employment decreases during the 5 years following the initial credit year. If employment decreases below the threshold, the entire credit will be recaptured.

All pass-through entities must complete Form TCA within 30 days of certification, but at least 90 days before the participants file their income tax return. If the participants' income tax return is due before the Form 502 is filed, they must file an amended return to claim the credit or file for an extension.

Taxpayers may qualify for the Major Business Facility Job Tax Credit even if they have also received an Enterprise Zone Job Creation Grant. However, qualified business firms are not eligible to receive both an Enterprise Zone Job Creation Grant and a Major Business Facility Job Tax Credit for the same jobs.

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. To claim this credit, complete Part 5 of Schedule CR (Form 64).

Barge and Rail Usage Tax Credit

For taxable years beginning on and after January 1, 2011, but before January 1, 2025, a business may receive an income tax credit for the usage of barge and rail to move cargo containers throughout the Commonwealth rather than using trucks or other motor vehicles on the Commonwealth's highways.

The amount of the credit is \$25 per 20-foot equivalent unit (TEU) or 16 tons of non-containerized cargo or one unit of roll-on/roll-off cargo moved by barge or rail. To receive this credit, an international trade facility is required to apply to the Department. 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 credit amount to each taxpayer. Taxpayers can claim this credit against the Individual Income Tax, the Corporate Income Tax, the Tax on Estates and Trusts, the Bank Franchise Tax, the Insurance Premiums License Tax, and the Tax on Public Service Corporations. Any unused tax credits may be carried over for 5 taxable years.

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 **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 you to certify the credit. To claim this credit, complete Part 6 of the Schedule CR (Form 64) and enclose the certification letter with your return. For assistance, contact the Tax Credit Unit at **(804) 786-2992**.

Education Improvement Scholarships Tax Credit

For taxable years beginning on or after January 1, 2014, but before January 1, 2028, an income tax credit may be claimed for monetary or marketable securities donations made to scholarship foundations included on an approved list published by the Virginia Department of Education. Tax credits earned during the taxable year must be claimed beginning with the taxable year during which they were earned. The credit is equal to 65% of the monetary or marketable securities donation made to the scholarship foundation. The credit can be claimed against the individual income tax, corporate income tax, bank franchise tax, insurance premiums license tax, or tax on public service corporations. For individuals, the minimum value of any monetary or marketable securities donation eligible for a tax credit is \$500 in a taxable year, and the maximum value of monetary or marketable securities donations eligible for tax credits is the first \$125,000 in value of donations made in a taxable year. Limitations on the minimum and maximum values of donations eligible for tax credits in a taxable year do not apply to donations made by any business entity, including a sole proprietorship.

Tax credits will be awarded to taxpayers on a first-come, first-served basis in accordance with procedures established by the Virginia Department of Education. The total amount of credits available in any fiscal year is capped at \$25 million. Any unused tax credits may be carried over for the next 5 succeeding taxable years or until the total amount of credit has been taken, whichever is sooner. To claim this credit, complete Part 7 of the Schedule CR. For additional information on how to qualify for certification, contact:

Virginia Department of Education
ATTN: Scholarships Tax Credits Program
23rd Floor, P.O. Box 2120
Richmond, Virginia 23218-2120
tax.credits@doe.virginia.gov

Worker Training Tax Credit

For taxable years beginning on and after January 1, 2019, but before July 1, 2025, the Worker Training Tax Credit allows businesses to claim a tax credit for providing eligible worker training to qualified employees. The credit is 35% of expenses incurred by the business during the taxable year for eligible worker training, subject to certain limitations. If the recipient of the training is a qualified employee, the credit may not exceed \$500 per qualified employee annually. If the recipient of the training is a non-highly compensated worker, the credit may not exceed \$1,000 per non-highly compensated worker annually.

"Eligible worker training" means the training of a qualified employee or non-highly compensated worker in the form of:

- credit or noncredit courses at any institution recognized on the Eligible Training Provider List or at any Virginia public institution of higher education, as such term is defined in *Va. Code* § 23.1-100, or as described in *Va. Code* §§ 23.1-3111,

23.1-3115, 23.1-3120, and 23.1-3125, that results in the qualified employee or non-highly compensated worker receiving a workforce credential; or

- instruction or training that is part of an apprenticeship agreement approved by the Commissioner of Labor and Industry.

“Qualified employee” means an employee of a business eligible for the Worker Training Tax Credit in a full-time position requiring a minimum of 1,680 hours in the entire normal year of the business’ operations if the standard fringe benefits are paid by the business for the employee. Employees in seasonal or temporary positions may not qualify as qualified employees. “Qualified employee” does not include an owner or relative. “Non-highly compensated worker” means a worker whose income is less than Virginia’s median wage, as reported by the Virginia Employment Commission, in the taxable year prior to applying for the credit. “Non-highly compensated worker” does not include an owner or relative.

Before claiming the credit on their income tax return, employers and businesses must apply for certification of the amount of allowable credit using Form WTC, Worker Training Tax Credit Application, by April 1 of the year following the year in which the expenses were paid or incurred. All approved employers and businesses filing a timely Form WTC will be notified of their allowable credit by June 30 of the calendar year following the year in which the expenses were incurred. The maximum amount of Worker Training Tax Credits that may be granted to taxpayers in a taxable year is capped at \$1 million. If the total amount of credits applied for and approved exceeds \$1 million, credits will be apportioned on a pro rata basis. This credit is nonrefundable but excess credit may be carried over for the next 3 taxable years. To claim this credit, complete Part 9 of Schedule CR (Form 64). For information on pre-approved apprenticeship programs, contact the **Virginia Department of Labor and Industry at (804) 786-1035**.

Research and Development Expenses Tax Credit

A refundable bank franchise tax credit is allowed for qualified research and development expenses for taxable years beginning on or after January 1, 2021, but before January 1, 2025. The tax credit is equal to:

- (i) 15% of the first \$300,000 in Virginia qualified research and development expenses, or
- (ii) 20% of the first \$300,000 of Virginia qualified research and development expenses if the research was conducted in conjunction with a Virginia public or private college or university, to the extent the expenses exceed a base amount.

There is a cap on the total amount of credits allowed in any fiscal year. If the total amount of approved tax credits is less than the credit cap amount, the Department will allocate the remaining amount to the taxpayers already approved for the tax credit on a pro rata basis. If the total amount of approved credits exceeds the credit cap amount, the Department will allocate credits on a pro rata basis. The maximum annual amount of tax credits that may be issued for each fiscal year is \$7.7 million.

Taxpayers may elect to determine the credit using a simplified method. Under the simplified method, the credit is equal to 10% of the difference of:

- (i) the Virginia qualified research and development expenses paid or incurred by the taxpayer during the taxable year; and
- (ii) 50% of the average Virginia qualified research and development expenses paid or incurred by the taxpayer for the 3 taxable years immediately preceding the taxable year for which the credit is being determined.

If a taxpayer electing to use the simplified method did not pay or incur Virginia qualified research and development expenses in

any 1 of the 3 taxable years immediately preceding the taxable year for which the credit is being determined, the credit is equal to 5% of the Virginia qualified research and development expenses paid or incurred by the taxpayer during the taxable year. Using such method, a taxpayer may claim up to \$45,000 of credits for a taxable year, or \$60,000 of credits for a taxable year if the Virginia qualified research was conducted in conjunction with a Virginia public or private college or university.

No taxpayer with Virginia qualified research and development expenses in excess of \$5 million may claim both the Research and Development Expenses Tax Credit and the Major Research and Development Expenses Tax Credit for the same taxable year.

To claim this tax credit, a taxpayer must apply by September 1 using **Form RDC** and the applicable schedules. Taxpayers electing to use the primary method to determine the proposed credit amount must complete Section 1 – Primary Credit Calculation. Taxpayers electing to use the simplified method to determine the proposed credit amount must complete Section 2 – Alternative Simplified Credit Calculation. Submitting a late application will disqualify you for 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 in order to be claimed on your tax return. A letter will be sent to certify the credit.

The amount of the credit attributable to a partnership, electing small business corporation (S corporation), or limited liability company (LLC) must be allocated to the individual partners, shareholders, or members in proportion to their ownership interests in such entities or in accordance with a written agreement using Form TCA within 30 days after the credit is granted unless the partnership, limited liability company, or electing small business corporation (S corporation) elects for such credits not to be so allocated but to be received and claimed at the entity level by the partnership, limited liability company, or electing small business corporation (S corporation).

The Department requires taxpayers applying for the credit to provide information including:

- (i) the number of full-time employees employed by the taxpayer in the Commonwealth during the taxable year for which the credit is sought;
- (ii) the taxpayer’s sector or sectors according to the 2012 edition of the North American Industry Classification System (NAICS) as published by the United States Census Bureau;
- (iii) a brief description of the area, discipline, or field of Virginia qualified research performed by the taxpayer;
- (iv) the total gross receipts or anticipated total gross receipts of the taxpayer for the taxable year for which the credit is sought; and
- (v) whether the Virginia qualified research was conducted in conjunction with a Virginia public or private college or university.

Any taxpayer that is allowed a Research and Development Expenses Tax Credit is not allowed to use the same expenses as the basis for claiming any other Virginia tax credit. Research and development expenses that are paid or incurred for research conducted in Virginia on human cells or tissue derived from induced abortions or from stem cells obtained from human embryos do not qualify for the credit. However, if a taxpayer engages in research in Virginia on human cells or tissue derived from induced abortions from stem cells obtained from human embryos, it may receive a nonrefundable credit for other Virginia qualified research and development expenses. Accordingly, if you conducted embryonic stem cell research in Virginia, this credit is nonrefundable and you must enter the amount of credit granted in Part 10 of Schedule CR (Form 64). If you did not

conduct embryonic stem cell research in Virginia, this credit is refundable and you must enter the amount of credit granted in Part 14 of Schedule CR (Form 64).

Major Research and Development Expenses Tax Credit

For taxable years beginning on or after January 1, 2021, but before January 1, 2025, a taxpayer with Virginia qualified research and development expenses for the taxable year in excess of \$5 million may claim a nonrefundable tax credit against the bank franchise tax in an amount equal to 10% of the difference between (i) the Virginia qualified research and development expenses paid or incurred by the taxpayer during the taxable year and (ii) 50% of the average Virginia qualified research and development expenses paid or incurred by the taxpayer for the 3 taxable years immediately preceding the taxable year for which the credit is being determined. If the taxpayer did not pay or incur Virginia qualified research and development expenses in any 1 of the 3 taxable years immediately preceding the taxable year for which the credit is being determined, the tax credit is equal to 5% of the Virginia qualified research and development expenses paid or incurred by the taxpayer during the relevant taxable year.

No more than \$24 million in tax credits may be issued in any fiscal year. If the approved applications for the tax credits exceed \$24 million for any taxable year, the credits will be allocated proportionately among all qualified taxpayers.

No taxpayer is permitted to claim credits in excess of 75% of the income tax imposed on the taxpayer for the taxable year. Any credit not usable for the taxable year for which the credit was first allowed may be carried over for credit against the income taxes of the taxpayer in the next 10 succeeding taxable years or until the total amount of the tax credit has been taken, whichever is sooner.

Any taxpayer who claims the tax credit for Virginia qualified research and development expenses is not allowed to use such expenses as the basis for claiming any other credit provided under the Code of Virginia.

Applications for the tax credit must be received by the Department no later than September 1 of the calendar year following the close of the taxable year in which the expenses were paid or incurred. To apply, the business must file **Form MRD** and the applicable schedules. 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.

No taxpayer with Virginia qualified research and development expenses in excess of \$5 million may claim both the Research and Development Expenses Tax Credit and the Major Research and Development Expenses Tax Credit for the same taxable year.

Credits granted to a partnership, limited liability company, or electing small business corporation (S corporation) must be allocated to the individual partners, members, or shareholders, respectively, in proportion to their ownership interests in the entities or in accordance with a written agreement entered into by individual partners, members, or shareholders.

No tax credit is allowed for any expenses that are paid for or incurred by a taxpayer for research conducted in the Commonwealth on human cells or tissue derived from induced abortions or from stem cells obtained from human embryos. The foregoing provision does not apply to research conducted using stem cells other than embryonic stem cells.

Virginia Housing Opportunity Tax Credit

Effective for taxable years beginning on and after January 1, 2021, but before January 1, 2026, a housing opportunity tax credit ("HOTC") is available for certain low-income building projects in an amount up to the amount of federal low-income housing tax credit ("LIHTC") allocated or allowed by the Virginia

Housing Development Authority ("VHDA") to such projects. To be qualified, the project is required to be a qualified low-income building, as defined under federal law, that is:

- Located in Virginia;
- Placed in service on or after January 1, 2021; and
- Allocated HOTC by VHDA.

For taxable years beginning on and after January 1, 2021, but before January 1, 2026, a qualified taxpayer may claim a housing opportunity tax credit against its Virginia tax liability prior to reduction by any other credits allowed the taxpayer. The housing opportunity tax credit may be allocated by pass-through entities to some or all of its partners, members, or shareholders in any manner agreed to by such persons, regardless of whether or not any such person is allocated or allowed any portion of any federal low-income housing tax credit with respect to the qualified project, whether or not the allocation of the housing opportunity tax credit under the terms of the agreement has substantial economic effect within the meaning of § 704(b) of the Internal Revenue Code, and whether or not any such person is deemed a partner for federal income tax purposes as long as the partner or member would be considered a partner or member as defined under applicable state law, and has been admitted as a partner or member on or prior to the date for filing the qualified taxpayer's tax return, including any amendments thereto, with respect to the year of the housing opportunity tax credit. Such pass-through entities or qualified taxpayer may assign all or any part of its interest, including its interest in the tax credits, to one or more pass-through entities or qualified taxpayers, and the qualified taxpayer shall be able to claim the housing opportunity tax credit so long as its interest is acquired prior to the filing of its tax return claiming the housing opportunity tax credit.

For calendar years 2022 through 2025, the total amount of housing opportunity tax credits authorized for qualified projects under this article shall not exceed \$60 million per calendar year. Such credits issued each calendar year shall be allowed ratably, with one-tenth of the total amount of credits allowed annually for 10 years over the credit period, except that there shall be a reduction in the tax credit allowable in the first year of the credit period due to the calculation in 26 U.S.C. § 42(f)(2) and any reduction by reason of 26 U.S.C. § 42(f)(2) in the credit allowable for the first taxable year of the credit period shall be allowable for the first taxable year following the credit period.

\$20 million of such credits shall be first allocated exclusively for qualified projects located in a locality with a population no greater than 35,000 as determined by the most recent United States census. Such allocation of Virginia housing opportunity tax credits shall constitute the minimum amount of such tax credits to be allocated for qualified projects in such localities. However, if the amount of such tax credits requested for qualified projects in such localities is less than the total amount of such credits available for qualified projects in such localities, the balance of such credits shall be allocated for any qualified project, regardless of location.

Credits must be allocated by pass-through entities to its partners, shareholders, or members using Form TCA which must be filed within 30 days of credit certification, but at least 90 days before the participants file their income tax return.

The credit is allowed against the individual income tax, estate and trust income tax, corporate income tax, bank franchise tax, insurance premiums license tax, and license tax telegraph, telephone, water, heat, light, power, and pipeline companies.

Any unused credit amount may be carried forward for 5 years from the year in which the credit is allocated to the taxpayer.

For more information, contact **Virginia Housing Development Authority, 601 S. Belvidere Street, Richmond, VA 23220**, call Stephanie Flanders at (804) 343-5939, or visit www.virginiahousing.com.

| | | | |
|---|-------------------------------|-------------------|----------|
| Each bank and trust company must file this return in duplicate on or before March 1, 2024, with the Commissioner of the Revenue for the county or city in which the principal office of the bank or trust company is located. | Name of Bank or Trust Company | Federal ID Number | |
| | Street Address or P.O. Box | Date Chartered | |
| | City, Town, or Post Office | State | ZIP Code |

EACH BANK AND TRUST COMPANY MUST PROVIDE THE INFORMATION SPECIFIED BELOW:

Principal office is located in _____, Virginia. (Check Only One) City County Town

IMPORTANT: Enclose a copy of your Report of Condition and Income (Call Report) for December 31, 2023.

| BANK CAPITAL ASSESSABLE AS OF JANUARY 1, 2024 CAPITAL ACCOUNTS | | | |
|--|-----------|-----------|---|
| 1. Equity Capital (total equity capital as shown on your official Report of Condition and Income adjusted by the amounts reported as unrealized gains or losses on available-for-sale securities). See the instructions. | 1 | | |
| ADDITIONS | | | |
| 2. Unallowable Portions of Valuation Reserves: | | | |
| a. Valuation Reserve for Losses on Loans (From Schedule G, Line 4) | 2a | | |
| b. Other (Enclose schedule) | 2b | | |
| 3. Total Additions (Sum of Lines 2a and 2b) | | 3 | |
| 4. Total (Sum of Lines 1 and 3) | | 4 | |
| DEDUCTIONS | | | |
| 5. Pro-rata Share of United States Obligations (From Schedule E, Line 5) | 5 | | |
| 6. Retained Earnings and Surplus of Subsidiaries Included in Gross Capital (From Schedule F) | 6 | | |
| 7. Deduction for Goodwill (Enclose schedule) | 7 | | |
| 8. Other (Enclose schedule) | 8 | | |
| 9. Total Deductions Before Apportionment (Sum of Lines 5 through 8) | | 9 | |
| COMPUTATION OF CAPITAL AND APPORTIONMENT | | | |
| 10. Capital Before Virginia Modifications (Line 4 less Line 9) | | 10 | |
| 11. Apportionment Percentage. (Virginia core deposits divided by total core deposits. Enclose computation.) Enter as a percentage. NOTE: Apportionment percentage applies only to multistate banks. All other banks enter 100%. Banks with no deposits in Virginia - see the Interstate Branch Banks section on Page 1 of the instructions. | | 11 | % |
| 12. Capital Attributable to Virginia (Multiply Line 10 by the percentage on Line 11) | | 12 | |
| 13. Virginia Real Estate Taxed by Virginia Locality (From Schedule C, Total) | | 13 | |
| 14. Tangible Personal Property Otherwise Taxed by Virginia Localities (From Schedule D, Total) | | 14 | |
| COMPUTATION OF NET CAPITAL AND TAX | | | |
| 15. Net Taxable Capital (Line 12 less the total of Line 13 and Line 14) | | 15 | |
| 16. Total Franchise Tax (See Tax Rate Schedule). Enter the total tax or \$18,000,000 whichever is less. | | 16 | |
| 17. Credit for Bank Franchise Tax Due to Localities (From Schedule H, Line 2) | | 17 | |
| 18. Tentative State Bank Franchise Tax Due (Line 16 less Line 17) | | 18 | |
| 19. Nonrefundable Tax Credits from Schedule CR, Line 13A | | 19 | |
| 20. Adjusted State Bank Franchise Tax (Line 18 less Line 19) | | 20 | |
| 21. Refundable Tax Credits from Schedule CR, Line 14A | | 21 | |
| 22. State Bank Franchise Tax Due. If Line 20 is greater than Line 21, subtract Line 21 from Line 20. This is the amount of tax you owe. | | 22 | |
| 23. State Bank Franchise Tax Overpayment. If Line 20 is less than Line 21, subtract Line 20 from Line 21. This is your refund. | | 23 | |

| | |
|--|--|
| <p style="text-align: center;">Declaration and Signature</p> <p>I, the undersigned officer of the bank or trust company for which this return is made, declare under the penalties provided by law that this return has been examined by me and is, to the best of my knowledge and belief, a true, correct, and complete return, made in good faith, for the taxable year stated.</p> <p>_____ (Signature) (Title of Officer)</p> <p>_____ (Phone Number) (Date)</p> | <p style="text-align: center;">Commissioner of the Revenue's Certificate of Assessment</p> <p>I, the undersigned Commissioner of the Revenue for the (County/City) of _____, Virginia, do hereby certify that I have this day assessed the bank or trust company aforesaid with state Bank Franchise Taxes for the tax year 2024, as shown hereon.</p> <p>Given under my hand this _____ day of _____, 2024.</p> <p>_____ (Commissioner of the Revenue)</p> |
|--|--|

**Schedule C
(Form 64)**

Virginia Department of Taxation
Bank Franchise Tax
Assessed Value of Real Estate in Virginia

2024

- For each parcel of real estate subject to taxation in Virginia, report the most recent assessed value made prior to January 1, 2024.
- A property may not be listed more than once.
- Instructions for this Schedule are on Page 3 of the instructions.

| | | | |
|-------------------------------|--|-------------------|----------|
| Name of Bank or Trust Company | | Federal ID Number | |
| Street Address or P.O. Box | | | |
| City, Town, or Post Office | | State | ZIP Code |

| Location (Include Physical Street Address, County or City / Town) | Name in Which Assessed | Assessed Value | Value Deductible |
|--|------------------------|----------------|------------------|
| Address | | \$ | \$ |
| County, City, or Town (Check One: <input type="checkbox"/> County <input type="checkbox"/> City <input type="checkbox"/> Town) | | | |
| Address | | \$ | \$ |
| County, City, or Town (Check One: <input type="checkbox"/> County <input type="checkbox"/> City <input type="checkbox"/> Town) | | | |
| Address | | \$ | \$ |
| County, City, or Town (Check One: <input type="checkbox"/> County <input type="checkbox"/> City <input type="checkbox"/> Town) | | | |
| Address | | \$ | \$ |
| County, City, or Town (Check One: <input type="checkbox"/> County <input type="checkbox"/> City <input type="checkbox"/> Town) | | | |
| Address | | \$ | \$ |
| County, City, or Town (Check One: <input type="checkbox"/> County <input type="checkbox"/> City <input type="checkbox"/> Town) | | | |
| Address | | \$ | \$ |
| County, City, or Town (Check One: <input type="checkbox"/> County <input type="checkbox"/> City <input type="checkbox"/> Town) | | | |
| Address | | \$ | \$ |
| County, City, or Town (Check One: <input type="checkbox"/> County <input type="checkbox"/> City <input type="checkbox"/> Town) | | | |
| Address | | \$ | \$ |
| County, City, or Town (Check One: <input type="checkbox"/> County <input type="checkbox"/> City <input type="checkbox"/> Town) | | | |
| TOTAL (Enter on Form 64, Line 13.) | | | \$ |

| | | |
|-----------------------------|--------------|---------------|
| Bank Representative Contact | Phone Number | Email Address |
|-----------------------------|--------------|---------------|

I, the undersigned Commissioner of the Revenue, do hereby certify that I have verified the Real Estate Assessments listed in this schedule, that the property was assessed to the bank or its affiliate, and that the valuations shown represent the most recent assessment made prior to January 1, 2024. I further certify that the information as reported, or as corrected hereon by me, is true and correct to the best of my knowledge and belief.

(Commissioner of the Revenue)

(Date)

A copy of this schedule must be filed with the assessing officer of each locality imposing tax on the filing bank.

**Schedule CR
(Form 64)**

Virginia Department of Taxation
**Bank Franchise Tax
Credit Computation Schedule**

2024

| | | |
|-------------------------------|-------------------|----------|
| Name of Bank or Trust Company | Federal ID Number | |
| Street Address or P.O. Box | | |
| City, Town, or Post Office | State | ZIP Code |

PART 1 – MAXIMUM NONREFUNDABLE TAX CREDITS

A Enter the tax from Form 64, Line 18. The maximum total nonrefundable credits claimed on Line 13A may not exceed this amount.....**1A** _____ .00

PART 2 – ENTERPRISE ZONE ACT TAX CREDIT

Expired for taxable years beginning on or after January 1, 2020. Only Enterprise Zone Real Property Investment Tax Credit carryover amounts from prior years are allowed. Use the worksheet in the instructions to determine the carryover amount that can be used this year.

A **Nonrefundable credit allowable this year****2A** _____ .00

PART 3 – NEIGHBORHOOD ASSISTANCE ACT TAX CREDIT

A Enter the authorized amount of creditA _____ .00
 B Carryover credit from prior year(s)B _____ .00
 C Add Lines A and BC _____ .00
 D **Credit allowable this year:** Line C or balance of maximum credit available, whichever is less **3D** _____ .00
 E Carryover credit: Line C less Line 3D if within 5-year carryover period.....E _____ .00

PART 4 – HISTORIC REHABILITATION TAX CREDIT

A Enter the amount of eligible expensesA _____ .00
 B Enter 25% of the amount on Line 8B _____ .00
 C Carryover credit from prior year(s) [enclose computation]C _____ .00
 D Add Line B and Line C.....D _____ .00
 E **Credit allowable this year:** Line D or balance of maximum credit available, whichever is less. No credit holder can claim more than \$5 million.....**4E** _____ .00
 F Carryover credit: Line D less Line 4E if within the 10-year carryover period....F _____ .00

PART 5 – MAJOR BUSINESS FACILITY JOB TAX CREDIT

A Enter the amount of credit authorized by the Department (include all expansions).....A _____ .00
 B Carryover credit from prior year(s) (include all expansions).....B _____ .00
 C Add Line A and Line BC _____ .00
 D **Credit allowable this year:** Line C or the balance of maximum credit available, whichever is less **5D** _____ .00
 E Carryover credit: Line C less Line 5D if within the 10-year carryover period....E _____ .00

PART 6 – BARGE AND RAIL USAGE TAX CREDIT

A Enter the total eligible credit amountA _____ .00
 B Carryover credit from prior year(s)B _____ .00
 C Add Line A and Line BC _____ .00
 D **Credit allowable this year:** Line C or the balance of maximum credit available, whichever is less **6D** _____ .00
 E Carryover credit: Line C less Line 6D if within the 5-year carryover period E _____ .00

**Schedule CR
(Form 64)**

Page 2

Virginia Department of Taxation
**Bank Franchise Tax
Credit Computation Schedule**

2024

| | |
|-------------------------------|-------------------|
| Name of Bank or Trust Company | Federal ID Number |
|-------------------------------|-------------------|

PART 7 – EDUCATION IMPROVEMENT SCHOLARSHIPS TAX CREDIT

| | | |
|--|-----------|-----|
| A Enter the total eligible credit amount authorized by the Department of Education..... | A | .00 |
| B Carryover credit from prior year(s) | B | .00 |
| C Add Line A and Line B..... | C | .00 |
| D Credit allowable this year: Line C or the balance of maximum credit available, whichever is less..... | 7D | .00 |
| E Carryover credit: Line C less Line 7D if within 5-year carryover period..... | E | .00 |

PART 8 – RESERVED FOR FUTURE USE

PART 9 – WORKER TRAINING TAX CREDIT

| | | |
|--|-----------|-----|
| A Enter the total eligible credit amount authorized by the Department..... | A | .00 |
| B Carryover credit from prior year(s) | B | .00 |
| C Add Line A and Line B..... | C | .00 |
| D Credit allowable this year: Line C or the balance of the maximum credit available, whichever is less..... | 9D | .00 |
| E Carryover credit: Line C less Line 9D if within the 3-year carryover period | E | .00 |

PART 10 – NONREFUNDABLE RESEARCH AND DEVELOPMENT TAX CREDIT

| | | |
|--|------------|-----|
| A Enter the total eligible nonrefundable credit amount authorized by the Department..... | A | .00 |
| B Credit allowable this year: Line A or the balance of the maximum credit available, whichever is less..... | 10B | .00 |

PART 11 – MAJOR RESEARCH AND DEVELOPMENT TAX CREDIT

| | | |
|--|------------|-----|
| A Enter the total eligible credit amount authorized by the Department..... | A | .00 |
| B Carryover credit from prior year(s) | B | .00 |
| C Add Line A and Line B..... | C | .00 |
| D Credit allowable this year: Line C or the balance of the maximum credit available, whichever is less. (This amount cannot be more than 75% of tax on your return)..... | 11D | .00 |
| E Carryover credit: Line C less Line 11D if within the 10-year carryover period..... | E | .00 |

PART 12 – VIRGINIA HOUSING OPPORTUNITY TAX CREDIT

| | | |
|--|------------|-----|
| A Enter the total eligible credit amount authorized by the Authority..... | A | .00 |
| B Carryover credit from prior year(s) | B | .00 |
| C Add Line A and Line B..... | C | .00 |
| D Credit allowable this year: Line C or the balance of the maximum credit available, whichever is less..... | 12D | .00 |
| E Carryover credit: Line C less Line 12D if within the 5-year carryover period. | E | .00 |

PART 13 – TOTAL NONREFUNDABLE CREDITS

| | | |
|--|------------|-----|
| A Add the amounts on 2A, 3D, 4E, 5D, 6D, 7D, 9D, 10B, 11D, and 12D. Enter the lesser of this sum or the amount here and on Form 64, Line 19 | 13A | .00 |
|--|------------|-----|

PART 14 – REFUNDABLE RESEARCH AND DEVELOPMENT TAX CREDIT

| | | |
|---|------------|-----|
| A Enter the total eligible refundable credit amount authorized by the Department. Enter this amount here and on Form 64, Line 21 | 14A | .00 |
|---|------------|-----|

**Bank Franchise Tax
Computation of Capital Attributed to United States Obligations**

- Enclose a schedule listing the breakdown, by quarter, of all items included in the computation of U.S. Obligations.
- See the list of U.S. Obligations beginning on Page 2 of the instructions.

| | | |
|-------------------------------|-------------------|----------|
| Name of Bank or Trust Company | Federal ID Number | |
| Street Address or P.O. Box | | |
| City, Town, or Post Office | State | ZIP Code |

| 1. Percentages of U.S. Obligations to Total Assets (Determined as of the four most recent Reports of Condition and Income.) | | | | |
|---|---|-------------------------|---------------------|--|
| | (a) Date of Report of Condition and Income | (b) U.S. Obligations | (c) Total Assets | (d) Percentage of U.S. Obligations to Total Assets [(b) ÷ (c)] |
| (A) | 3/31/2023 | \$ | \$ | 1(A) % |
| (B) | 6/30/2023 | \$ | \$ | 1(B) % |
| (C) | 9/30/2023 | \$ | \$ | 1(C) % |
| (D) | 12/31/2023 | \$ | \$ | 1(D) % |
| 2. Total: Total percentages from Line 1 (A) through (D), Column (d). | | | | 2. % |
| 3. Average Percentage. Total from Line 2, divided by the number 4 or by the number of quarters in existence if less than 4. | | | | 3. % |
| 4. Equity Capital (From Form 64, Line 1). | | | | 4. \$ |
| 5. Capital Attributed to U.S. Obligations. Multiply the amount of total equity capital on Line 4 by the average percentage on Line 3. Enter the total here and on Form 64, Line 5. | | | | 5. \$ |

| | |
|----------------------|-------|
| Signature of Officer | Title |
| Name Printed | Date |

**Schedule G
(Form 64)**

Virginia Department of Taxation
**Bank Franchise Tax
Reserve for Loan Losses**

2024

The applicable deferred tax amount (entered on Line 3) is the deferred tax asset that would result if the reserve for loan losses allowed for federal income tax purposes (the "tax reserve") was equal to half the book reserve. Stated mathematically, the applicable deferred tax amount is equal to the Book Reserve divided by 2 and then multiplied by the bank's effective federal and state income tax rates that were used to calculate any deferred tax amounts included in the Call Report, but not less than zero.

| | | | |
|-------------------------------|--|-------------------|----------|
| Name of Bank or Trust Company | | Federal ID Number | |
| Street Address or P.O. Box | | | |
| City, Town, or Post Office | | State | ZIP Code |

| | |
|--|----|
| Bank Holding Company With Which Reporting Bank is Affiliated (if any): | |
| 1. Enter the Amount of the Reserve for Loan Losses as Shown on the FFIEC Report of Condition (the "Call Report") as of December 31, 2023. | \$ |
| 2. Divide Line 1 by the number 2. Enter the result. | \$ |
| 3. Applicable Deferred Tax Multiply the amount on Line 2 by the bank's annual effective federal and state income tax rate. See the instructions above for additional information. | \$ |
| 4. Line 1 Less the Total of Lines 2 and 3. Enter this amount on Form 64, Line 2a. | \$ |

**Schedule H
(Form 64)**

Virginia Department of Taxation
Bank Franchise Tax
City, Town, or County Taxes

2024

- Authorized by Va. Code §§ 58.1-1208 - 58.1-1210.
- Compute the local franchise tax as indicated on Lines 1 and 2.
- Enter the amount from Line 2 below, on **Form 64, Line 17**. If reporting for branches outside the Commonwealth of Virginia, enter only the local tax to be paid for branches in Virginia on **Form 64, Line 17**.
- Tax attributable to branches outside the state should be included on **Form 64, Lines 18 and 20**.
- List in this schedule the location of the principal office and every other city, town, or county in which a branch is located.
- Enter the appropriate figures in Columns B, C, and D for each location listed.
- A copy of this schedule must be filed with the assessing officer of each locality imposing tax upon the filing bank.

| | | | |
|-------------------------------|--|-------------------|----------|
| Name of Bank or Trust Company | | Federal ID Number | |
| Street Address or P.O. Box | | | |
| City, Town, or Post Office | | State | ZIP Code |

| | |
|--|--|
| 1. Total Franchise Tax (From Form 64, Line 16 .) | |
| 2. Local Franchise Tax (80% of Line 1 or Line 1 X 0.8. Enter here and on Form 64, Line 17 .) | |

| A | B | C | D |
|--|--|--|---|
| List each Virginia city, town, or county in which the principal office and/or one or more branch is located and check the appropriate box. | List total deposits in the principal office and/or branches for each Virginia city, town, or county as of January 1, 2024. | Percentage of deposits through the principal office and/or branches in each Virginia city, town or county to total deposits of the bank as of January 1, 2024. | Taxes assignable and due in each Virginia city, town or county pursuant to local ordinance, if one has been adopted (percentage from Column C times the amount reported on Line 2 above). |
| <input type="checkbox"/> County <input type="checkbox"/> City <input type="checkbox"/> Town | | | |
| <input type="checkbox"/> County <input type="checkbox"/> City <input type="checkbox"/> Town | | | |
| <input type="checkbox"/> County <input type="checkbox"/> City <input type="checkbox"/> Town | | | |
| <input type="checkbox"/> County <input type="checkbox"/> City <input type="checkbox"/> Town | | | |
| <input type="checkbox"/> County <input type="checkbox"/> City <input type="checkbox"/> Town | | | |
| <input type="checkbox"/> County <input type="checkbox"/> City <input type="checkbox"/> Town | | | |
| <input type="checkbox"/> County <input type="checkbox"/> City <input type="checkbox"/> Town | | | |
| <input type="checkbox"/> County <input type="checkbox"/> City <input type="checkbox"/> Town | | | |
| <input type="checkbox"/> County <input type="checkbox"/> City <input type="checkbox"/> Town | | | |
| TOTALS | \$ | 100% | \$ |

Commissioners of the Revenue Mailing Addresses

* Denotes Director of Finance

** Denotes Director of Tax Administration

| County | Address | ZIP Code | County | Address | ZIP Code |
|-----------------------|---|------------|--------------------------|--|------------|
| Accomack County | P.O. Box 186, Accomac, VA | 23301 | Page County | 103 S Court St. Suite C, Luray VA | 22835 |
| Albemarle County* | 401 McIntire Rd, Rm. 133, Charlottesville, VA | 22902 | Patrick County | P.O. Box 367, Stuart, VA | 24171 |
| Alleghany County | 9212 Winterberry Ave. Suite E, Covington, VA | 24426 | Pittsylvania | P.O. Box 272, Chatham, VA | 24531-0272 |
| Amelia County | P.O. Box 269, Amelia, VA | 23002 | Powhatan County | 3834 Old Buckingham Rd, Ste. C, Powhatan, VA | 23139 |
| Amherst County | P.O. 719, Amherst, VA | 24521 | Prince Edward County | P.O. Box 446, Farmville, VA | 23901 |
| Appomattox County | P.O. Box 125, Appomattox, VA | 24522 | Prince George County | P.O. Box 155, Prince George, VA | 23875-0155 |
| Arlington County | 2100 Clarendon Blvd, Rm. 200, Arlington, VA | 22201 | Prince William County | 1 County Complex Ste. 120 Woodbridge, VA | 22192 |
| Augusta County | P.O. 959, Verona, VA | 24482 | Pulaski County | 52 W. Main St., Ste. 200, Pulaski, VA | 24301-5044 |
| Bath County | P.O. Box 130, Warm Springs, VA | 24484 | Rappahannock County | P.O. Box 115, Washington, VA | 22747 |
| Bedford County | 122 E. Main St., Rm. 103, Bedford, VA | 24523 | Richmond County | P.O. Box 366, Warsaw, VA | 22572 |
| Bland County | P.O. Box 130, Bland, VA | 24315 | Roanoke County | P.O. Box 20409, Roanoke, VA | 24018 |
| Botetourt County | 57 S. Center Dr., Daleville, VA | 24083 | Rockbridge County | P.O. Box 1160, Lexington, VA | 24450-1160 |
| Brunswick County | P.O. Box 669, Lawrenceville, VA | 23868 | Rockingham County | 20 E. Gay St., Harrisonburg, VA | 22802 |
| Buchanan County | P.O. Box 1042, Grundy, VA | 24614 | Russell County | 137 Highland Dr., Ste. C, Lebanon, VA | 24266 |
| Buckingham County | P.O. Box 106, Buckingham, VA | 23921 | Scott County | 190 Beech Street, Suite 206, Gate City, VA | 24251 |
| Campbell County | P.O. Box 66, Rustburg, VA | 24588 | Shenandoah County | 600 N. Main St., Ste. 104, Woodstock, VA | 22664 |
| Caroline County | P.O. Box 819, Bowling Green, VA | 22427 | Smyth County | P.O. Box 985, Marion, VA | 24354 |
| Carroll County | 605-7 Pine St., Hillsville, VA | 24343 | Southampton County | P.O. Box 760, Courtland, VA | 23837 |
| Charles City | P.O. Box 7, Charles City, VA | 23030 | Spotsylvania County | P.O. Box 175, Spotsylvania, VA | 22553 |
| Charlotte County | P.O. Box 308, Charlotte Courthouse, VA | 23923 | Stafford County | P.O. Box 98, Stafford, VA | 22555-0098 |
| Chesterfield County | P.O. Box 70, Chesterfield, VA | 23832 | Surry County | P.O. Box 314, Surry, VA | 23883 |
| Clarke County | P.O. Box 67, Berryville, VA | 22611 | Sussex County | P.O. Box 1398, Sussex, VA | 23884 |
| Craig County | P.O. Box 186, New Castle, VA | 24127 | Tazewell County | 135 Court St., Ste. 301, Tazewell, VA | 24651-0020 |
| Culpeper County | P.O. Box 1807, Culpeper, VA | 22701 | Warren County | P.O. Box 1775, Front Royal, VA | 22630 |
| Cumberland County | P.O. Box 77, Cumberland, VA | 23040 | Washington County | 1 Government Center Place, Ste. C, Abingdon, VA | 24210 |
| Dickenson County | P.O. Box 1067, Clintwood, VA | 24228 | Westmoreland County | P.O. Box 68, Montross, VA | 22520 |
| Dinwiddie County | P.O. Box 104, Dinwiddie, VA | 23841-0104 | Wise County | P.O. Box 1278, Wise, VA | 24293 |
| Essex County | P.O. Box 879, Tappahannock, VA | 22560 | Wythe County | 225 S. 4th St., Rm. 101, Wytheville, VA | 24382 |
| Fairfax County** | 12000 Government Center Pkwy, Ste. 223, Fairfax, VA | 22035-0075 | York County | P.O. Box 90, Yorktown, VA | 23690-0090 |
| Fauquier County | P.O. Box 149, Warrenton, VA | 20188 | City of Alexandria* | P.O. Box 178, Alexandria, VA | 22313 |
| Floyd County | P.O. Box 777, Floyd, VA | 24091 | City of Bristol | 497 Cumberland St., Rm. 101, Bristol, VA | 24201 |
| Fluvanna County | P.O. Box 124, Palmyra, VA | 22963-0124 | City of Buena Vista | 2039 Sycamore Ave., Buena Vista, VA | 24416 |
| Franklin County | 1255 Franklin St., Suite 102, Rocky Mount, VA | 24151 | City of Charlottesville | P.O. Box 2964, Charlottesville, VA | 22902-2964 |
| Frederick County | P.O. Box 552, Winchester, VA | 22604 | City of Chesapeake | P.O. Box 15285, Chesapeake, VA | 23328 |
| Giles County | 130 N Main St., Pearisburg, VA | 24134 | City of Colonial Heights | P.O. Box 3401, Colonial Heights, VA | 23834 |
| Gloucester County | 6489 Main St., Ste. 137, Gloucester, VA | 23061 | City of Covington | P.O. Drawer 58, Covington, VA | 24426 |
| Goochland County | P.O. Box 60, Goochland, VA | 23063 | City of Danville | P.O. Box 480, Danville, VA | 24543 |
| Grayson County | P.O. Box 126, Independence, VA | 24348 | City of Emporia | P.O. Box 956, Emporia, VA | 23847 |
| Greene County | P.O. Box 438, Stanardsville, VA | 22973 | City of Fairfax | City Hall, Rm. 224, 10455 Armstrong St., Fairfax, VA | 22030 |
| Greensville County | 1781 Greensville County Circle, Rm. 132, Emporia, VA | 23847 | City of Falls Church | 300 Park Ave., Ste. 202W, Falls Church, VA | 22046-3301 |
| Halifax County | P.O. Box 1847, Halifax, VA | 24558 | City of Franklin | 207 West Second Ave., Franklin, VA | 23851 |
| Hanover County | P.O. Box 129, Hanover, VA | 23069 | City of Fredericksburg | P.O. Box 644, Fredericksburg, VA | 22404 |
| Henrico County* | P.O. Box 90775, Henrico, VA | 23273-0775 | City of Galax | 111 E.Grayson St., Galax, VA | 24333 |
| Henry County | P.O. Box 1077, Collinsville, VA | 24078-1077 | City of Hampton | P.O. Box 636, Hampton, VA | 23669-0636 |
| Highland County | P.O. Box 148, Monterey, VA | 24465 | City of Harrisonburg | 409 S. Main St., Harrisonburg, VA | 22801 |
| Isle of Wight County | P.O. Box 107, Isle of Wight, VA | 23397-0107 | City of Hopewell | P.O. Box 1604, Hopewell, VA | 23860 |
| James City County | P.O. Box 283, Williamsburg, VA | 23187 | City of Lexington | 300 E Washington St., Lexington, VA | 24450 |
| King George County | 10459 Courthouse Dr, Ste. 101, King George, VA | 22485-3865 | City of Lynchburg | P.O. Box 858, Lynchburg, VA | 24505-0858 |
| King & Queen County | P.O. Box 178, King & Queen CH, VA | 23085 | City of Manassas | P.O. Box 125, Manassas, VA | 20108-0125 |
| King William County | P.O. Box 217, King William, VA | 23086 | City of Manassas Park | 100 Park Center Plaza, Ste. 303, Manassas Park, VA | 20111 |
| Lancaster County | 8311 Mary Ball Rd., Rm. 203, Lancaster, VA | 22503 | City of Martinsville | P.O. Box 1222, Martinsville, VA | 24114-1222 |
| Lee County | P.O. Box 96, Jonesville, VA | 24263 | City of Newport News | 2400 Washington Ave., Newport News, VA | 23607 |
| Loudoun County | P.O. Box 8000, Leesburg, VA | 20177-9804 | City of Norfolk | P.O. 2260, Norfolk, VA | 23501-2260 |
| Louisa County | 1 Woolfolk Ave. Ste. 203, Louisa, VA | 23093 | City of Norton | P.O. Box 347, Norton, VA | 24273 |
| Lunenburg County | 11512 Courthouse Rd, Lunenburg, VA | 23952 | City of Petersburg | 144 N. Sycamore St., Petersburg, VA | 23803 |
| Madison County | P.O. Box 56, Madison, VA | 22727 | City of Poquoson | 500 City Hall Ave., Poquoson, VA | 23662 |
| Mathews | P.O. Box 896, Mathews, VA | 23109 | City of Portsmouth | 801 Crawford St., Portsmouth, VA | 23704-3811 |
| Mecklenburg County | P.O. Box 360, Boydton, VA | 23917 | City of Radford | 619 Second St., Rm. 161, Radford, VA | 24141 |
| Middlesex County | P.O. Box 148, Saluda, VA | 23149 | City of Richmond | 900 E. Broad St., Rm. 103, Richmond, VA | 23219 |
| Montgomery County | 755 Roanoke St. Ste. 1-A, Christiansburg, VA | 24073 | City of Roanoke | 215 Church Ave SW, Rm. 251, Roanoke, VA | 24011 |
| Nelson County | P.O. Box 100, Lovingston, VA | 22949 | City of Salem | P.O. Box 869, Salem, VA | 24153 |
| New Kent County | P.O. Box 99, New Kent, VA | 23124 | City of Staunton | P.O. Box 4, Staunton, VA | 24402-0004 |
| Northampton County | P.O. Box 65, Eastville, VA | 23347 | City of Suffolk | P.O. Box 1459, Suffolk, VA | 23439-1459 |
| Northumberland County | P.O. Box 309, Heathsville, VA | 22473 | City of Virginia Beach | 2401 Courthouse Dr, Bldg 1, Virginia Beach, VA | 23456 |
| Nottoway County | P.O. Box 5, Nottoway, VA | 23955 | City of Waynesboro | 503 W. Main St., Rm. 107, Waynesboro, VA | 22980 |
| Orange County | P.O. Box 389, Orange, VA | 22960 | City of Williamsburg | P.O. Box 245, Williamsburg, VA | 23187 |
| | | | City of Winchester | 21 S. Kent St., Ste. 100, Winchester, VA | 22601 |