



DATA CENTER SALES AND USE TAX EXEMPTION

Virginia offers an exemption from the sales and use tax for computer equipment bought or leased between July 1, 2010 and June 30, 2035 for use in a data center.

The facility must be located in Virginia, generate a capital investment of at least \$150 million and create at least 50 new jobs that pay one and one half times the prevailing average wage in the locality. The requirement of at least 50 new jobs is reduced to 25 new jobs if the data center is located in a locality that has an unemployment rate for the preceding year of at least 150 percent of the average statewide unemployment rate or is located in an enterprise zone. This exemption applies to the data center operator and the tenants of the data center if they collectively meet the requirements.

In addition, the exemption applies to any computer equipment or enabling software purchased or leased to upgrade, supplement, or replace computer equipment or enabling software purchased or leased in the initial investment.

<https://leg1.state.va.us/cgi-bin/legp504.exe?000+cod+58.1-609.3>