**GUIDANCE MEMORANDUM[[1]](#footnote-1)**

**TO:** Gas and Oil Operators in Virginia

**FROM:** Phil Skorupa, Director, Mineral Mining Program and Gas and Oil Program

Virginia Department of Energy, Gas and Oil Program

**DATE**: August 23, 2024

**SUBJECT: Pollution Control Tax Incentives**

Certified pollution control equipment and facilities consisting of equipment used in collecting, processing, and distributing, or generating electricity from, landfill gas or synthetic or natural gas recovered from waste, including equipment used to grind, chip, or mulch trees, tree stumps, underbrush, and other vegetative cover for reuse as landfill gas or synthetic or natural gas recovered from waste, placed in service on or after July 1, 2006, shall be exempt from state and local taxation pursuant to subsection d of Section 6 of Article X of the Constitution of Virginia.

The Code of Virginia (§ 58.1-3660), states that certified pollution control equipment and facilities used primarily for the purpose of abating or preventing pollution of the atmosphere or waters of the Commonwealth and which the state certifying authority having jurisdiction with respect to such property has certified to the Department of Taxation as having been constructed, reconstructed, erected, or acquired in conformity with the state program or requirements for abatement or control of water or atmospheric pollution or contamination.

Under the Code of Virginia, the Virginia Department of Energy, for coal, oil, and gas production, including gas, natural gas, and coalbed methane gas to act in place of a certifying authority of the Commonwealth has certifying authority.

To request certification of pollution control measures, operators may begin the application process by completing the documents attached hereto. This guidance document also contains an example Certification Checklist, used during the certification process. Once applications are completed, they may be submitted electronically, via email, to: [Brad.Boyd@energy.virginia.gov](mailto:Brad.Boyd@energy.virginia.gov).

Please direct any questions about this memorandum to Bradley Boyd at 276-415-9700.

1. § 45.1-361.27 of the Code of Virginia grants the Director the authority to “[p]rescribe the nature of and form for the presentation of any information and documentation required by any provision of this article or regulation adopted thereunder” [↑](#footnote-ref-1)