

## Income/Franchise:

### Virginia: Administrative Ruling Says Manufacturer May Elect Modified Apportionment Method on Amended Return

*Public Document No. 24-128*, Va. Dept. of Tax. (12/11/24). The Virginia Department of Taxation issued a ruling in the taxpayer's favor that it was eligible to elect to apportion its income using the modified apportionment method available to manufacturing companies under Virginia Code § 58.1-422 on its 2015 amended Virginia return pursuant to a 2023 Virginia Court of Appeals decision, which had determined that otherwise eligible taxpayers may elect to use the "manufacturer's modified apportionment method" on amended returns. Under the facts, the taxpayer's apportionment election was denied on audit because it was not made on the original return; however, the company had timely filed a protective refund claim, asserting that it was permitted to make the election on the amended return. Please contact us with any questions.

**URL:** <https://www.tax.virginia.gov/laws-rules-decisions/rulings-tax-commissioner/24-128>

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