

Proposed tax increases for 2026 in Virginia. Proposals for 2026 Virginia taxes include a new 10% income tax bracket for income over \$1 million (HB 188/HB 979) and a potential 7.75% bracket for high earners (HB 1074).

Other measures include expanding sales tax to services and digital products (HB 900), new taxes on guns/ammo, and a 20-cent retail delivery fee in Northern Virginia. [1, 2, 3, 4, 5, 6, 7]

Key potential changes for the 2026 tax year (filed in 2027) include: Millionaire Tax: A new 10% bracket for income over \$1 million, with revenue directed toward schools, childcare, and housing.

Sales Tax Expansion: Proposals could apply the sales tax to services like gym memberships, landscaping, pet grooming, dry cleaning, and residential repair. Digital Goods Tax: Streaming services (e.g., Netflix) and cloud storage may become taxable.

Military Benefits: Subtraction for military benefits could increase to \$60,000. Standard Deduction Increase: Proposed increase to \$10,000 for single and \$20,000 for married individuals.

Other Potential Taxes: New taxes on electric landscaping equipment, gun/ammo sales, and a 20-cent delivery fee for Northern Virginia. [1, 2, 3, 5, 6, 7, 8]

These proposals are part of the 2026 General Assembly session and are subject to change before passing. [9, 10] AI responses may include mistakes.

[1] <https://lis.virginia.gov/bill-details/20261/HB1074>

[2] <https://www.13newsnow.com/article/news/local/virginia/virginia-considers-new-10-tax-on-millionaires-to-fund-schools-child-care-housing/291-e93293b8-a990-453d-b3a4-979bde014828> [3] <https://lis.virginia.gov/bill-details/20261/HB188>

[4] <https://www.vscpa.com/news/81899618-bd75-42eb-93f0-07d384d92ad1:virginia-general-assembly-2026-tax-policy-legislation-to-watch>

[5] <https://www.youtube.com/watch?v=-HsIR5YqdBM>

[6] <https://virginiamercury.com/2026/02/05/affordability-or-tax-hikes-spanberger-agenda-caught-in-political-crossfire/> [7] <https://www.pilotonline.com/2026/02/05/tax-policy-bills-virginia-general-assembly/> [8] <https://www.nfib.com/news/news/va-tax-bills-would-drive-up-costs-for-va-small-businesses-and-families/>

[9] <https://taxfoundation.org/blog/virginia-income-tax-proposals-2026/>

[10] <https://www.12onyourside.com/2026/02/06/virginia-lawmakers-propose-new-taxes-everyday-services/>