

**MEMORANDUM**

DATE: December 11, 2001

TO: The Board of Supervisors

FROM: M. Ann Davis, Treasurer  
Richard Bradshaw, Commissioner of the Revenue

SUBJECT: Amendment to the Code of James City County - Section 12-5.(d) License Requirements

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As part of improving the Business License process, the Treasurer’s Office is requesting the Board of Supervisors amend the Business License payment due date from March 1 to April 5 as permitted by Virginia Code Section 58.1-3703.1(A)(2)(b).

Because of the growing number of businesses in James City, the short filing and payment window, limited resources in the Commissioner of the Revenue and Treasurer’s Offices, the increasing number of businesses needing personalized assistance, and the need to bill an estimated 3,500 to 4,000 businesses in January and February 2002, it is important that the filing deadline of March 1, per the Code of Virginia, remains unchanged and amend the payment deadline to April 5.

Currently, both the renewal filing deadline and the payment due date is March 1. Because both the form and the payment are due on or before March 1, renewals without payments are considered the highest priority by the Commissioner of the Revenue in order for the Treasurer’s Office to prepare the bill and mail. This demands a continual billing process making it necessary to dedicate an employee to the process at the expense of other duties. As the March 1 deadline nears, taxpayers may receive the bill only days or same day before the payment is due creating a customer service issue.

With the change in payment deadline, the Treasurer’s Office will bill outstanding Business License assessments within a week after the filing deadline. As per Code of Virginia Section 58.1-3912, taxpayers will be given fourteen or more days to pay without penalty and interest.

The fiscal impact on revenue for January through March is anticipated to be nominal. With re-design of the annual renewal forms and enhanced filing instructions, more companies will be better able to compute their own license fees and make payment at the time they submit their renewal form. An April 5 payment due date will eliminate the urgency to assess unpaid renewals shifting the priority to processing the renewals with payments and depositing the checks in the bank within twenty-four hours, thus creating the opportunity to earn additional interest income.

The Treasurer and the Commissioner of the Revenue recommend the Board of Supervisors adopt the attached ordinance setting April 5 as the deadline for business license payment.

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M. Ann Davis

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Richard Bradshaw

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buslic.mem  
Attachment