



**CITY OF HARRISONBURG
COMMISSIONER OF THE
REVENUE**

KAREN I. ROSE, MCR
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409 SOUTH MAIN STREET, HARRISONBURG, VA 22801

OFFICE (540) 432-7704 • FAX (540) 432-7781

TO: Eric Campbell, City Manager
FROM: Karen I. Rose, Commissioner of the Revenue
DATE: December 18, 2019
RE: Refund of Business Personal Property Tax for 2017 and 2018.

Summary: Approval of business personal property tax refund for 2017 and 2018

Background: § 58.1-3981 of the Code of Virginia requires City Council approval of any refunds in excess of \$2,500. To provide Council with adequate information to determine approval while also maintaining confidentiality pursuant to Code of Virginia §58.1-3, the business name has been redacted on the Certificate of the Commissioner of the Revenue. The original version of the Commissioner's certification is on file in the Commissioner's office, protected by attorney-client privilege, and will be signed by the City Attorney and provided to the Treasurer following Council approval.

Key Issues: Taxpayer A paid for business leased equipment they reported as being at a physical location in the City in 2017 and 2018. The County audited the company and the equipment was in various locations within the County. Taxpayer A has sent returns to the County for 2017 and 2018 and filed amended returns with the City removing the leased equipment reported to the County. The refund for 2017 is \$14,121.74 plus interest at a rate of 4% and the refund for 2018 is \$31,290.35 plus interest at a rate of 4%.

Environmental Impact: n/a

Fiscal Impact: The city will refund the business personal property tax in the amount of \$14,121.74 for 2017 plus interest at a rate of 4% and the city will refund the business personal property tax in the amount of \$31,290.35 for 2018 plus interest at a rate of 4%.

Prior Actions: none

Alternatives: (a) Approve and direct business personal property refund
(b); or

Community Engagement: n/a



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Recommendation: Staff recommends approval of the application for refund of business personal property tax for both years.

Attachments: Certification letter from the Commissioner of the Revenue

Review:

The initiating Department Director will place in Legistar, in sequence of transmittal, the names of each department that must initial their review in order for this item to be placed on the City Council agenda. The completion of review only addresses the readiness of the issue for Council consideration. This does not address the recommendation for approval or denial of the issue.

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