



## **Tax Amnesty Program - Frequently Asked Questions List:**

### **1. What is Tax Amnesty, and when will it be available?**

Tax Amnesty is a limited-time opportunity for persons, individual, corporation, estate, trust or partnership to pay past-due taxes free of penalty and interest. Tax Amnesty will be conducted from August 15<sup>th</sup>, 2017 through October 16<sup>th</sup>, 2017.

### **2. What legislation authorized the tax amnesty program?**

The Tax Amnesty program was authorized under ordinance 2017-063 adopted by Richmond City Council on May 15<sup>th</sup>, 2017. The ordinance amended and re-ordained sections 26-21 through 26-23 and 26-26 through 29-29 of the Code of the City of Richmond (2015).

### **3. Who qualifies for tax amnesty?**

All persons, individuals, corporations, estates, trusts or partnerships that:

- Owe certain local taxes for periods ending prior to February 1<sup>st</sup>, 2017
- Failed to file for periods prior to February 1<sup>st</sup>, 2017
- Underreported their tax liabilities for periods ending prior to February 1<sup>st</sup>, 2017

### **4. Who does not qualify for tax amnesty?**

All persons, individuals, corporations, estates, trusts or partnerships that are currently, or at the beginning of this program:

- Under investigation for filing a fraudulent return or failing to file a return with the intent to evade taxes;
- Have a civil action filed in court to enforce or collect a delinquent tax before the end of eligibility period, unless the tax, interest, penalty, attorney's fees, and any other applicable charges have been paid in full before the end of the tax amnesty period.

The Director of Finance will consult with legal advisors for situations that may be unclear.

### **5. What will happen if I do not take advantage of tax amnesty?**

Failure to take advantage of tax amnesty will result in the City continuing its normal compliance, enforcement, and collection efforts to enforce tax laws. Penalties will still apply, and interest will continue to accrue on delinquent taxes.



## **6. What types of tax qualify for tax amnesty?**

- Real Estate Taxes
- Business Personal Property Taxes (excluding vehicles)
- Business License Taxes
- Admissions Taxes
- Transient Lodging (Hotel) Taxes
- Prepared Food (Meals) Taxes

## **7. What types of tax do not qualify for tax amnesty?**

- Tangible Personal Property Taxes on Vehicles
- Motor Vehicle License Taxes
- Vehicle License Fees
- Local Option Sales Taxes (submitted to the Commonwealth)
- All non-local taxes

## **8. How do I apply for tax amnesty?**

You must file an application, in person, at either of the following locations:

- City Hall (900 E. Broad Street)
- Southside Community Service Center (4100 Hull St. Road).

Your application must be filed no later than October 16<sup>th</sup>, 2017. Applications can be downloaded and printed online prior to applying in person, at:

<http://www.richmondgov.com/Finance/index.aspx>

## **9. What is required to obtain tax amnesty?**

In order to obtain amnesty, you must do all of the following:

- File a completed application, and provide the required down payment if applicable, to the Finance Department during the amnesty period of August 15<sup>th</sup>, 2017 through October 16<sup>th</sup>, 2017
- File any required local tax returns
- File and pay any applicable license application fees
- Pay the full balance due under amnesty, including any legal fees that might apply



**10. Are any payment plans available?**

If the outstanding delinquent taxes owed is \$500 or greater, a payment plan is available if requested. If the outstanding delinquent taxes owed is \$500 or less, payment in full must be received on or before October 16, 2017 to receive amnesty benefits.

**11. How much is the down payment I must make when I apply for tax amnesty?**

For delinquent amounts of \$500 or greater, the down payment required is 25% of the delinquent balance, with the remainder of the balance paid off over six (6) equal monthly installments. For amounts less than \$500, all of the delinquent taxes must be paid on or before October 16, 2017.

**12. If I cannot pay the entire amount due under amnesty, is partial tax amnesty available?**

No. Partial tax amnesty is not available.

**13. What forms of payment will be accepted?**

The department accepts the following payment methods

- E-check
- Check
- Money Order
- Credit Cards
- Debit Cards

**14. I currently have a payment agreement with the Department of Finance. Am I eligible for tax amnesty?**

Yes. You may apply for amnesty. Payments received after August 15<sup>th</sup>, 2017 will be applied to the amount due under tax amnesty.

**15. I am currently appealing an assessment made by the Department of Finance. May I file for tax amnesty?**

If you wish to take advantage of the amnesty provisions on the assessment you have appealed, you must withdraw the appeal.



**16. I operate a business. Will all the business taxes owed be included in tax amnesty?**

All business taxes with the exception of business personal property taxes on vehicles will be eligible for the tax amnesty program.

**17. My delinquent account has been assigned to a collection agency. May I apply for tax amnesty?**

If any of the exceptions listed in question four (4) do not apply, then yes, an application for amnesty may be made.

**18. If I do not apply for amnesty, will the department suspend collection action until the tax amnesty period is over?**

No. The department will continue to pursue collection of delinquent accounts of persons who do not apply during the amnesty period just as if there were no tax amnesty.

**19. Will I qualify for amnesty if I am currently in bankruptcy?**

Yes. Bankruptcy accounts are eligible for amnesty. Bankruptcy accounts are not eligible for a payment plan. All payments must be paid to the bankruptcy trustee. All delinquencies must be paid in full on or before October 16, 2017 to the bankruptcy trustee.

**20. A tax lien is filed against me because of my back taxes. Will this lien be satisfied under amnesty?**

Please consult the collection agency attorney for guidance on this matter.

**21. What if I have not registered my business for business taxes with the Department of Finance?**

You should file the applicable Business License Application Form, pay the Business License Fee and report any unfiled tax return(s), along with your application for amnesty.



**22. Will the department contact the credit bureaus to remove judgements from their records?**

No. The department does not contact credit bureaus directly. Judgements are a public record, and credit bureaus do not obtain information regarding judgements directly from the department. Please consult an attorney for advice on how to remove eligible tax liens from credit bureau records.

**23. Will returns under tax amnesty be audited?**

Returns filed under amnesty will be subject to all applicable audit rules.

**24. If I file the proper forms during the tax amnesty period, may I pay after the due date of the amnesty billing I receive?**

No. For delinquent amounts of less than \$500, or delinquent amounts of \$500 or greater with no prepayment plan, all delinquent taxes are must be paid on or before October 16, 2017.

For amounts of \$500 or greater with a prepayment plan, after the 25% down payment, the remaining balance is due in six (6) equal remaining amounts billed each month. If payment is not made by that bill date, you may receive no benefit from the amnesty provisions.

**25. Will any refunds be granted for penalties and interest paid prior to the tax amnesty period?**

No. There will be no refund of amounts paid prior to August 15<sup>th</sup>, 2017.

**26. What will happen if I pay too much?**

If you pay more than you owe under tax amnesty, the overpayment will be refunded to you as long as no other taxes are due to the City.

**27. How do I obtain an Application for Amnesty and any tax forms needed?**

The application for amnesty is available online at:  
<http://www.richmondgov.com/Finance/index.aspx>

Other applicable tax forms can be downloaded at the Department of Finance's website or picked up in person at the locations specified in question twenty-nine (29).



**28. Where do I send my tax amnesty application?**

Tax Amnesty Applications must be submitted in person at the following locations:

- City Hall (900 E. Broad Street)
- Southside Community Service Center (4100 Hull St. Road)

**29. Where can I obtain more information about tax amnesty?**

More information regarding the City's tax amnesty program can be found online at <http://www.richmondgov.com/Finance/index.aspx> and on the government access cable channel (Channel 17). A video presentation will be available on the website covering all aspects of the tax amnesty program and will be repeated periodically on Channel 17.

**30. Can my representative sign the agreement for me?**

Yes. For an individual representative must have a properly completed Power of Attorney form with them when applying for tax amnesty. Representatives for a business will be required to sign agreeing to their ability to apply for amnesty on behalf of the business.

**31. Where will the money collected from the Tax Amnesty go?**

All of the taxes collected will be deposited into the City's general fund to support programs and core City services.

**32. If I participate in the Tax Relief for the Elderly and Disabled Program, can I participate in the Tax Amnesty Program?**

If you meet the criteria prescribed in question three, then you are eligible to participate in the tax amnesty program for amounts due prior to February 1, 2017.

**33. I cannot pay all of the delinquent taxes that I agreed to pay in my payment agreement. Will the department penalize me for this?**

If payments cannot be made in accordance with the tax amnesty application, you may receive no amnesty benefit and the department will continue to pursue collection of delinquent accounts of persons just as if there were no tax amnesty.



**34. If my payment is returned will I be able to submit another payment and remain in the amnesty program?**

No. When application is made and agreement signed it is agreed that funds are to be given. A returned payment voids your agreement and eligibility for amnesty.

**35. What is the best number to call with questions about the 2017 Program?**

Regarding real estate taxes: (804) 646-3954

Regarding business personal property taxes, business license taxes, admissions, lodging, and meals taxes: (804) 646-6662

Regarding payment plan terms: (804) 646-3631

**36. Can I contact the City by email regarding the 2017 Tax Amnesty Program?**

Yes, the City has established a separate e-mail address for the 2017 program: [tax.amnesty@richmondgov.com](mailto:tax.amnesty@richmondgov.com)

**37. Will the City be offering extended hours to taxpayers interested in signing up for Tax Amnesty?**

Yes, each month during the amnesty period there will be Thursday evening hours and Saturday hours at both City Hall and at Southside Plaza:

- Until 7pm on August 17th, September 14th, and October 12th
- From 9am to 1pm on August 19th, September 16th, and October 14th

Please check the Finance Department's website to verify the extended hours, additional opportunities may occur based on the volume of taxpayers seeking assistance.