

# Commissioner of the Revenue

## DESCRIPTION

The Commissioner of Revenue's office is divided into three sections: Real Property, Personal Property, and Business Property. The Real Property Division prepares and maintains information in the Land Records Book and submits final assessments to the Treasurer for tax billing. Duties include incorporating land transfers and splits into the tax records, reviewing wills, and preparing and maintaining land parcel maps. The Division works closely with the GIS Department to develop parcel information and incorporate boundary changes into the Commissioner's automated system. Applications for land use tax deferrals and tax relief for the elderly are processed and administered by the Real Property Division. Rollback taxes are calculated and billed by this Division when changes in land use or zoning occur.

The Personal Property Division prepares information for the Personal Property Tax Book by assessing all vehicles, boats, motors, trailers, airplanes, and mobile homes. In cooperation with the Virginia Department of Taxation, the Division assists the public in the completion of income tax filing forms, processes filings, and performs initial audits for accuracy. Appropriate tax schedules are also reviewed. Refunds and balance due statements are entered into the State's system. In addition, the Personal Property Division administers the "No Car Tax Program" and works closely with the Division of Motor Vehicles for vehicle transfers and registrations.

The Business Property Division is responsible for all business taxes, licenses, and associated records. Tax categories overseen by this Division include business personal property, machinery and tools, merchant's capital, transient occupancy, and contractors business licenses. In addition, this division monitors monthly sales tax reports and distributions. The Division works with businesses to ensure they are knowledgeable of tax ordinances, and assists them with compliance and related issues.

The Commissioner of Revenue is a Constitutional Officer and is locally elected every four years.

## GOALS AND OBJECTIVES

- Continue to issue business licenses by March 1;
- Continue to update files for real estate transfers and wills by March 1;
- Continue to process tax relief applications for the elderly and disabled by March 1 (1<sup>st</sup> half) and June 30 (2<sup>nd</sup> half)
- Continue to process land use applications by November 1 and February 1;
- Continue to assess real estate taxes and complete the Land Book by April 1;
- Continue to process and audit State income taxes by June 1;
- Continue to prorate and assess all personal property classes by October 1;
- Continue to monitor sales tax revenues monthly and prepare monthly reports to track changes/trends;
- Continue to assess and administer local option taxes on a monthly basis, and;
- Continue to improve services offered on the Commissioner of Revenue website.

## SERVICE LEVELS

	<b>FY02</b>	<b>FY02</b>	<b>FY03</b>	<b>FY03</b>	<b>FY04</b>
	<b><u>Budget</u></b>	<b><u>Actual</u></b>	<b><u>Budget</u></b>	<b><u>Forecast</u></b>	<b><u>Budget</u></b>
Per capita cost of operating department	\$ 9.66	\$ 9.07	\$ 9.87		\$ 9.52
Accounts in personal property file	66,840	67,851	68,848	68,848	70,913
Real estate transfers	3,236	3,907	3,784	4,024	4,144
Review of will disbursements	340	317	350	326	336
Land use applications	224	224	230	230	236
Land use parcels	3,049	2,997	3,050	3,000	3,000
Tax relief applications	705	751	800	773	796
Tax relief applications qualified	657	727	760	748	771
State income tax returns processed	33,990	25,000	37,080	25,000	25,000
Estimated tax forms processed	2,058	1,851	2,050	1,906	1,963

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## ASSESSED VALUE OF TAXABLE PROPERTY

<u>Fiscal Year</u>	<u>Real Estate</u>	<u>Personal Property</u>	<u>Machinery and Tools</u>	<u>Merchants' Capital</u>	<u>Public Service Companies</u>	<u>Total</u>
1993	3,349.2	315.9	51.1	21.8	226.2	3,964.3
1994	3,497.7	334.1	58.4	22.6	220.2	4,133.1
1995	3,708.8	381.3	61.0	23.5	216.2	4,390.9
1996	3,987.2	536.1	63.1	28.6	239.8	4,854.8
1997	4,530.3	679.2	65.1	30.8	252.1	5,557.5
1998	4,917.7	729.4	66.8	29.9	262.3	6,006.1
1999	5,318.7	744.0	66.9	30.2	268.3	6,428.1
2000	5,652.8	842.8	69.3	35.5	272.1	6,872.5
2001	5,987.0	912.4	71.5	36.2	255.4	7,262.5
2002	6,815.7	925.3	44.8	35.4	624.2	8,445.4

*Dollars in Millions*

## BUDGET HIGHLIGHTS

FY03

The increase in capital outlay results from funding added for a replacement vehicle and partial funding for the digital imaging of maps and records.

FY04

The increase in salaries and benefits reflects advancement of employees in the career ladder program. The large decrease in operating expenses is primarily due to the department replacing significantly fewer computers in FY04 versus FY03.

## BUDGET SUMMARY

### Expenditures

<b>Commissioner of the Revenue</b>	<b>FY02 Budget</b>	<b>FY02 Actual</b>	<b>FY03 Budget</b>	<b>FY04 Budget</b>	<b>Percent Change</b>
Salaries and Fringe Benefits	\$ 744,376	\$ 727,589	\$ 789,747	\$ 835,418	5.8%
Operating Expenditures	116,456	99,426	106,311	89,655	-15.7%
Capital Outlay	20,000	307	26,950	-	0.0%
<b>Total Expenditures</b>	<b>\$ 880,832</b>	<b>\$ 827,322</b>	<b>\$ 923,008</b>	<b>\$ 925,073</b>	<b>0.2%</b>

### Revenue

State Share of Local Offices	\$ 190,000	\$ 193,100	\$ 181,000	\$ 193,000	
<b>Total Department Generated Revenue</b>	<b>\$ 190,000</b>	<b>\$ 193,100</b>	<b>\$ 181,000</b>	<b>\$ 193,000</b>	<b>6.6%</b>
Generated Revenue Percent of Budget	21.6%	23.3%	19.6%	20.9%	

<b>Other General Fund Revenue</b>	<b>\$ 690,832</b>	<b>\$ 634,222</b>	<b>\$ 742,008</b>	<b>\$ 732,073</b>	<b>-1.3%</b>
Other General Fund Percent of Budget	78.4%	76.7%	80.4%	79.1%	

Full-time Positions	18	18	18	18	0.0%
Full-time Equivalents	18.0	18.0	18.0	18	0.0%

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## FUTURE FUNDING ISSUES

	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>	<b>FY08</b>
<u>Expenditures</u>	<u>Plan</u>	<u>Plan</u>	<u>Plan</u>	<u>Plan</u>
Salaries and Fringe Benefits	\$ 860,480	\$ 886,295	\$ 912,884	\$ 966,270
Operating Expenditures	91,896	94,194	108,548	114,512
Capital Outlay	-	30,000	-	-
<b>Total Planned Expenditures</b>	<b>\$ 952,377</b>	<b>\$ 1,010,488</b>	<b>\$ 1,021,432</b>	<b>\$ 1,080,782</b>

## Revenue

State Share of Local Offices	\$ 202,000	\$ 207,000	\$ 212,000	\$ 218,000
<b>Total Department Generated Revenue</b>	<b>\$ 202,000</b>	<b>\$ 207,000</b>	<b>\$ 212,000</b>	<b>\$ 218,000</b>
Generated Revenue Percent of Budget	21.2%	20.5%	20.8%	20.2%

<b>Other General Fund Revenue</b>	<b>\$ 750,377</b>	<b>\$ 803,488</b>	<b>\$ 809,432</b>	<b>\$ 862,782</b>
Other General Fund Percent of Budget	78.8%	79.5%	79.2%	79.8%

Full-time Positions	18	18	18	19
Full-time Equivalents	18.0	18.0	18.0	19.0

All funding is maintenance level until FY08 when the department plans to add a Customer Service Agent. The \$30,000 for capital in FY06 is funding for the department's digitizing initiative.