

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 (1st half) and June 30 (2nd 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

	FY03	FY03	FY04	FY04	FY05
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Forecast</u>	<u>Budget</u>
Per capita cost of operating department	\$ 9.83	\$ 9.33	\$ 9.61		\$ 10.20
Accounts in personal property file	68,848	68,848	70,913	78,553	81,000
Real estate transfers	3,784	4,024	4,144	3,900	4,000
Review of will disbursements	350	326	336	323	330
Land use applications	3,050	230	236	191	215
Land use parcels	3,050	3,000	3,000	3,026	3,000
Tax relief applications	800	773	796	813	825
Tax relief applications qualified	760	748	771	782	785
State income tax returns processed	37,080	25,000	25,000	14,387	14,000
Estimated tax forms processed	2,050	1,906	1,963	1,753	1,800

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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
2003	7,509.4	947.6	43.4	38.0	625.0	9,163.4

Dollars in Millions

BUDGET HIGHLIGHTS

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.

FY05

Salaries and fringe benefits increased due to higher VRS contributions and health insurance costs. The remainder of the budget represents a maintenance level of funding.

BUDGET SUMMARY

Expenditures

	<u>FY03 Budget</u>	<u>FY03 Actual</u>	<u>FY04 Budget</u>	<u>FY05 Budget</u>	<u>Percent Change</u>
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Salaries and Fringe Benefits	\$ 789,747	\$ 772,746	\$ 835,418	\$ 913,595	9.4%
Operating Expenditures	106,311	85,406	89,655	92,602	3.3%
Capital Outlay	26,950	17,759	-	-	0.0%
Total Expenditures	\$ 923,008	\$ 875,911	\$ 925,073	\$ 1,006,197	8.8%

Revenue

State Share of Local Offices	\$ 193,000	\$ 216,069	\$ 193,000	\$ 193,000	0.0%
Total Department Generated Revenue	\$ 193,000	\$ 216,069	\$ 193,000	\$ 193,000	0.0%
Generated Revenue Percent of Budget	20.9%	24.7%	20.9%	19.2%	

Other General Fund Revenue

	\$ 730,008	\$ 659,842	\$ 732,073	\$ 813,197	11.1%
Other General Fund Percent of Budget	79.1%	75.3%	79.1%	80.8%	
Full-time Positions	18	18	18	18	0.0%
Full-time Equivalents	18.0	18.0	18.0	18.0	0.0%

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FUTURE FUNDING ISSUES

	FY06	FY07	FY08	FY09
<u>Expenditures</u>	<u>Plan</u>	<u>Plan</u>	<u>Plan</u>	<u>Plan</u>
Salaries and Fringe Benefits	\$ 951,966	\$ 991,949	\$ 1,059,602	\$ 1,104,106
Operating Expenditures	92,695	95,197	97,768	100,407
Capital Outlay	-	-	5,550	-
Total Planned Expenditures	\$ 1,044,661	\$ 1,087,146	\$ 1,162,920	\$ 1,204,513

Revenue

State Share of Local Offices	\$ 196,000	\$ 201,000	\$ 206,000	\$ 211,000
Total Department Generated Revenue	\$ 196,000	\$ 201,000	\$ 206,000	\$ 211,000
Generated Revenue Percent of Budget	18.8%	18.5%	17.7%	17.5%

Other General Fund Revenue	\$ 848,661	\$ 886,146	\$ 956,920	\$ 993,513
Other General Fund Percent of Budget	81.2%	81.5%	82.3%	82.5%

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

Funding is provided in FY08 for a Customer Service Agent. All other aspects of the budget represent a maintenance level of funding.