



# Commissioner of the Revenue

To serve residents and the business community by administering tax programs mandated by the Code of Virginia and local ordinances in an efficient, fair, equitable, and thorough manner, while protecting the confidential personal and business information entrusted to the Office.

## Department Programs

### Tax Assessment

Identify, assess, value, and defend valuations for real estate; identify, classify, and assess vehicle personal property taxes, business license taxes, business personal property taxes, excise taxes, and other business taxes and fees. Tax Assessment also includes tax account reviews and field inspections to ensure proper tax classification and equitable assessment of taxes among like businesses.

### Activities

- Real Property Tax Assessment
- Business Tax Assessment
- Vehicle Personal Property Tax Assessment

### Tax Exemptions and Deferrals

Administer the County's Tax Relief for the Elderly and Disabled Program and tax exemptions for disabled veterans and their surviving spouses by processing applications, qualifying applicants, and adjusting tax accounts; administer property tax exemptions by classification and designation; administer the County's Land Use Assessment Program by processing applications, qualifying property, conducting site visits, and assessing qualifying land; and administer the County's program for solar equipment exemption.

- Tax Exemptions and Deferrals

### Tax Compliance

Conduct in-depth tax audits and field inspections to ensure accurate and equitable assessment of all business taxes as well as compliance with Loudoun County Codified Ordinances and Virginia State Tax Code; and process all business tax appeal cases.

- Tax Compliance

### Administration

Provide direct service to all Loudoun County residents and business owners and respond to all appeals through an administrative review process specific to each type of tax.

- Administration

**Commissioner of the Revenue****Financial Information****FY 2024 Adopted Information<sup>1</sup>**

	<b>Expenditures</b>	<b>Revenue</b>	<b>LTF</b>	<b>FTE</b>
Tax Assessment	\$8,075,880	\$242,370	\$7,833,510	60.93
Tax Exemptions and Deferrals	530,174	107,720	422,454	4.00
Tax Compliance	1,855,610	0	1,855,610	14.00
Administration	1,590,523	188,510	1,402,013	12.00
<b>Total</b>	<b>\$12,052,187</b>	<b>\$538,600</b>	<b>\$11,513,587</b>	<b>90.93</b>

---

<sup>1</sup> Sums may not equal due to rounding.



## Commissioner of the Revenue: Tax Assessment

### Real Property Tax Assessment

**What We Do:** The Real Property Tax Assessment activity consists of assessing, at fair market value, all real property in Loudoun County to ensure that the County's real property tax base is maintained in a fair and equitable manner. This includes residential and commercial land, buildings, and improvements thereon. This activity also entails maintenance of the online real property database and responding to taxpayers as well as assisting taxpayers with real property assessment inquiries. Staff must review and defend real estate assessments at Board of Equalization (BOE) hearings and in Circuit Court if necessary. In addition, staff verifies and updates property characteristics through accepted data collection methods, including onsite inspections, use of high-resolution digital aerial imagery, entitlement, zoning information, and building permit records to identify new structures and modifications to existing structures. This activity also involves providing real property assessment information to the public, public officials, and others. The Code of Virginia requires the Commissioner of the Revenue to maintain the County's Land Book and ensure the timely and accurate preparation of assessment information for the Treasurer to complete the real property tax billing process.

**Mandate Information:** The Commissioner of the Revenue's assessment duties are mandated by the Code of Virginia and local ordinances. The Code of Virginia §§ 58.1-3200 through 58.1-3389 and Loudoun County Codified Ordinances mandate the annual assessment of all real property in the County at fair market value.

**Who Does It:** County staff appraisers perform this activity using the County's computer-assisted mass appraisal system.

**Why We Do It:** The Commissioner of the Revenue and staff provide direct service to Loudoun property owners on a daily basis. Real property taxes account for more than half of the total annual County revenues. This activity is vital as it forms the basis upon which the Board-adopted real estate tax rate is applied, resulting in the levy that is billed by the Treasurer.

**How We Do It Now – Current Service Level:** Current service level involves verifying 100 percent of sales each year and maintaining a 95 percent assessment-to-sales price ratio. Staff reviews all building permits issued each year to ensure that improvements to parcels are accounted for in assessment data. In FY 2022 and FY 2023, the Board approved appraiser positions and one supervising appraiser to maintain current service level and to address the backlog of residential parcels that needed to be confirmed in the County's assessment system with a new or revised sketch—a digital rendering of the building's exterior dimensions and size calculations. At current service level, the backlog of residential parcels needing to be sketched reduces by approximately 10 percent each year. On average, 150 real property parcels are added to the County's tax rolls each month that need to be assessed on an annual basis.

In FY 2020, the service level provided with the staff resources at the time met all mandated requirements; however, staff workloads were not optimal. In subsequent years, this taxpayer service was enhanced through additional staff resources, which reduced the number of parcels assigned to each appraiser. This allowed for a greater frequency of property inspections and reduced the number of existing properties without sketches and the sketching of new properties, as well as resulted in more thorough permit and sale review and enhanced taxpayer service.

In this fiscal year with current resources, real property assessments will be completed by mandated deadlines.

**How We Plan to Do It in the Future – Recommended Service Level:** Service levels are predominantly influenced by mandates within the Code of Virginia and Loudoun County Codified Ordinances. As the County continues to develop over time, staffing levels for these services will be reviewed to ensure that these mandates are met. However, changes in either Virginia Code or Loudoun County Codified Ordinances may impact service levels in the future; although it is difficult to predict the timing or impact of any future changes.



## Commissioner of the Revenue: Tax Assessment

	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Estimated	FY 2025 Projected
<b>Verify 100 percent of sales.</b>					
Number of commercial parcels	7,135	7,219	7,197	7,269	7,342
Number of record transfers	20,678	15,725	11,260	11,147	11,036
Number of residential parcels	138,314	139,894	142,110	143,531	144,966
Percentage of sales verified	97%	100%	100%	99%	98%
<b>Achieve a 95 percent assessment-to-sale price ratio.<sup>1</sup></b>					
Number of parcels	145,449	147,113	149,307	150,800	152,308
Assessment-to-sale price ratio	92%	96%	92%	95%	95%
<b>Collect data relative to new construction to add supplemental value by number of months to the County Land Book.</b>					
Number of new structures	1,678	1,443	1,606	1,445	1,301
Number of required changes to the Land Book	23,554	17,306	15,099	15,039	14,978
Total assessed value (in millions) added to the Land Book from new construction	\$657	\$540	\$476	\$485	\$495
<b>Reduce the backlog of residential parcels that need to be sketched by 10 percent each year.</b>					
Number of backlog parcels	21,011	14,251	8,453	7,608	6,847
Percentage decrease in parcels	14%	23%	41%	10%	10%
<b>Respond to all requests for assessment reviews, BOE appeals, and court cases.<sup>2</sup></b>					
Number of Office reviews – residential	360	216	1,472	500	500
Number of Office reviews – commercial	117	52	137	75	100
Number of BOE appeals – residential	18	23	41	30	30
Number of BOE appeals – commercial	43	57	64	50	50
Number of court cases	0	0	1	0	0
Number of tax sale cases worked	0	0	0	0	0
Net value change (in millions) from Office reviews	\$(179)	\$(524)	\$(1,733)	(950)	(950)
Net value change (in millions) from BOE decisions	\$(1,055)	\$(102)	\$(0.051)	n/a	n/a

<sup>1</sup> Assessment-to-sales price ratio is the ratio of the County-assessed value of a property to its selling price. This ratio is a method to determine the degree of uniformity in assessments and is one component of fair market value. By the Code of Virginia, the Loudoun County Commissioner of the Revenue is required to annually assess all real property at 100 percent of fair market value.

<sup>2</sup> Measures for the BOE appeals and court cases can fluctuate drastically from one year to the next. If the appeal or court case is related to a commercial property, there is the potential for a larger change in value.



## Commissioner of the Revenue: Tax Assessment

### Business Tax Assessment

**What We Do:** The Business Tax Assessment activity involves the imposition of Business, Professional, and Occupational License (BPOL) tax and business tangible personal property tax on business furniture and fixtures, heavy equipment, machinery and tools, data center equipment, and computer equipment. It also includes the administration of bank franchise, consumer utility, transient occupancy, short-term rental, mixed beverage license, and other local business taxes.

Staff assists taxpayers with business personal property tax assessment and business license inquiries by email, telephone, and in-person at the Leesburg and Sterling locations. A web services portal is available for the public to register their business for local taxation and file their annual business license and business personal property tax declarations online. Staff interacts with the County's incorporated towns to obtain reports on all active businesses.

**Mandate Information:** The Code of Virginia § 58.1-1207 (Bank Franchise Taxes) states that the Commissioner of the Revenue shall certify a copy of the bank's return and schedules and transmit such certified copy to the Virginia Department of Taxation. The Code of Virginia § 58.1-3112 requires the Commissioner of the Revenue to preserve returns of tangible personal property, machinery and tools, and merchants' capital tax. The Code of Virginia §§ 58.1-2602 through 58.1-2603 requires the Commissioner of the Revenue to verify and include in the local tax roll Public Service Corporation properties assessed and reported by the State Corporation Commission. The Code of Virginia §§ 58.1-3510.4 through 58.1-3510.6 (Short-term Rental Taxes) states that the lessor of daily rental property shall transmit a quarterly return to the Commissioner of the Revenue of the County wherein the tax is collected, indicating the gross proceeds derived from the short-term rental business; and the Commissioner of the Revenue shall assess the tax due. The Code of Virginia § 58.1-3700 permits localities to impose a local BPOL tax on the gross receipts of business operations in the County and requires the Commissioner of the Revenue to administer the tax if it is adopted by the local governing body, including management of the administrative appeals process.

**Who Does It:** Business tax assessors review online registrations and renewals to ensure that taxpayers file gross receipts related to new business activity and business personal property accurately and in the proper tax classification. BPOL and business personal property taxes are self-reported by the taxpayer annually. As such, staff reviews tax assessments for accuracy.

**Why We Do It:** The Commissioner of the Revenue and staff provide direct service to most Loudoun business owners on an annual basis. The Business Tax Assessment activity forms the basis upon which business taxes are levied. Staff ensures timely and uniform assessments of local business taxes and prepares the business tangible Personal Property Book by prescribed deadlines.

**How We Do It Now – Current Service Level:** Current service level involves maintaining approximately 16,000 business license accounts, representing approximately 2,700 accounts maintained per business tax assessor. The business taxes administered account for approximately 2 percent of the County's budgeted revenue. In this fiscal year with current resources, business tax assessments will be completed by mandated deadlines.

**How We Plan to Do It in the Future – Recommended Service Level:** The recommended service level is not clear now; however, the Office watches trends and projections to anticipate the direction that service levels may need to go and why, using stabilization projections or changes in the industry. This complex evaluation may look as follows: Over time, the composition of the businesses and their activities in the County have become more complex. As the County's population growth stabilizes over time, it is anticipated that the number of businesses will also level off, but an increase in the number of home-based businesses could shift the business base and not necessarily reduce the number. Additionally, legislative changes can have an unpredictable effect on the type of businesses subject to taxation and the types of tax programs to be administered by the Office. The Office will monitor these factors to evaluate whether to adjust its services or service levels.

**Commissioner of the Revenue: Tax Assessment**

	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Estimated	FY 2025 Projected
<b>Assess BPOL tax and prepare business tangible personal property by prescribed deadlines.</b>					
Number of business licenses issued	17,484	15,950	15,876	16,035	16,195
Average number of business licenses issued per staff	2,914	2,658	2,646	2,672	2,699



## Commissioner of the Revenue: Tax Assessment

### Vehicle Personal Property Tax Assessment

**What We Do:** The Vehicle Personal Property Tax Assessment activity consists of ascertaining and assessing, at fair market value, all automobiles, trucks, aircraft, boats, campers, manufactured homes, motorcycles, trailers, and recreational vehicles in the County. Additionally, staff is responsible for making qualification determinations for the state's car tax relief, prorating vehicle assessments, levying statutory assessments, and correcting erroneous assessments. The Commissioner of the Revenue provides assessment information to the Treasurer for the billing and collection of personal property tax.

Staff interacts with most County vehicle owners annually. This activity involves providing the public and others with accurate and timely personal property assessment information. A web services portal is available for residents to register vehicles and report the move, sale, or disposal of vehicles; report mailing address changes; or file their annual vehicle information as well as file an appeal of valuation. Staff assists taxpayers with vehicle property assessment inquiries by email, telephone, and in-person. The Office performs compliance activities related to personal property taxes. Methods for property owner compliance include cross-referencing data sets such as Department of Motor Vehicles (DMV) records, Loudoun-based business tax accounts, real estate transfer records, apartment complex tenant listings, and voter registration records, as well as random visits to observe vehicles in the County.

**Mandate Information:** The Code of Virginia requires the Commissioner of the Revenue to produce the County's Personal Property Book and ensure the timely and accurate preparation of assessment information. The Code of Virginia §§ 58.1-3500 through 58.1-3521 sets out the tax laws specific to the assessment of tangible personal property including, but not limited to, business equipment, vehicles, boats, trailers, manufactured homes, aircraft, programmable computer equipment, and machinery and tools. The Code of Virginia § 58.1-3524 requires the Commissioner to determine whether vehicles qualify for personal property tax relief. The Code of Virginia § 58.1-3903 sets out tax laws requiring the issuance of supplemental assessments for local taxes that were not assessed or that were assessed at less than the law requires. The Code of Virginia §§ 58.1-3980 through 58.1-3993 instructs the Commissioner to correct assessments that were made based on an error or judgement of fact.

**Who Does It:** County staff identifies, classifies, and values vehicle personal property using various resources, including assessment publications and electronic valuation subscriptions. The DMV provides a weekly file of vehicle registration data which assists in maintaining tax records.

**Why We Do It:** This activity provides direct service to most Loudoun residents and business owners on an annual basis, including assistance at the Office's front counters in Leesburg and Sterling. This activity is the basis for assessing and collecting vehicle personal property taxes, which is the County's second largest local revenue program.

**How We Do It Now – Current Service Level:** Current service level involves issuing approximately 425,000 personal property assessments annually. This workload represents an average of approximately 106,000 personal property assessments per personal property tax assessor. On average, more than 1,000 vehicles are added to the tax rolls each month that need to be assessed. The personal property taxes administered by the Commissioner of the Revenue's Office account for approximately 20 to 25 percent of the County's budgeted revenue. Presently, the service level provided with current resources is sufficient to meet mandated deadlines. Increases in the number of vehicles to be assessed will require monitoring to determine whether additional resources are required. Legislative changes (including purported goals to eliminate the vehicle personal property tax in the Commonwealth) will surely affect the need for staff. However, if prior efforts are any indication, a reduction in staff to administer vehicle personal property taxes is unrealistic.

**How We Plan to Do It in the Future – Recommended Service Level:** The current service level is the recommended service level; however, efforts to eliminate the personal property tax on vehicles will affect future staffing requirements.

**Commissioner of the Revenue: Tax Assessment**

	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Estimated	FY 2025 Projected
<b>Prepare personal property assessment books by prescribed deadlines and ensure timely, uniform, and thorough application of personal property tax.</b>					
Number of personal property assessments	416,368	419,056	422,270	426,493	428,625
Number of personal property assessments reviewed per staff	104,092	104,764	105,568	106,623	107,156





## Commissioner of the Revenue: Tax Exemptions and Deferrals

### Tax Exemptions and Deferrals

**What We Do:** The Tax Exemptions and Deferrals activity is comprised of the administration of the County's Land Use Assessment Program; tax relief programs for the elderly or disabled; tax exemptions for disabled veterans and surviving spouses of members of the armed forces killed in action or killed in the line of duty; tax exemptions for revitalized real estate; and tax exemptions for solar equipment.

The Land Use Assessment Program provides for the deferral of real estate taxes on real estate (land only) that qualifies for agricultural, horticultural, forestry, and open space uses. Staff performs field visits using County vehicles as well as high-resolution digital aerial images to determine land use and exemptions by classification. Through tax relief for the elderly and disabled, participants are relieved from payment of some or all of the real property taxes on their primary dwelling, and may have their vehicle taxes reduced as well. Tax exemptions for 100 percent service-connected, totally and permanently disabled veterans apply to the tax on the veteran's primary dwelling and up to three acres of land and one vehicle. For all of these programs, staff conducts interviews and counsels and assists applicants with completing the appropriate application. Staff conducts seminars and outreach programs to educate residents about the various programs.

Staff is also responsible for issuing determinations for property tax exemptions by classification and management of the application process for the County's tax exemption by designation process for nonprofit organizations, ensuring that all applications are reviewed for completeness and that qualified applications are properly transmitted to the Board for consideration. Staff assists with the application process to representatives of nonprofit organizations that wish to be designated by the Board as exempt from local property taxes; and the Office prepares and presents applications for qualified organizations to the Board's Finance Committee meeting in September.

**Mandate Information:** The Code of Virginia §§ 58.1-3210 through 58.1-3217 (Real Estate Relief for Elderly and Disabled) states that each Commissioner of the Revenue shall also make any other reasonably necessary inquiry of persons seeking such exemption to determine qualifications as specified herein to establish the income or financial worth of any applicant for tax relief or deferral. The Code of Virginia §§ 58.1-3506.13506.7 (Personal Property Relief for Elderly and Disabled) states that each Commissioner of the Revenue shall also make any other reasonably necessary inquiry of persons applying under this article to determine qualifications as specified herein to establish the income or financial worth of any applicant for personal tax relief. The Code of Virginia §§ 58.1-3230 through 58.1-3244 sets out the structure and criteria for the Land Use Assessment Program and empowers counties to adopt ordinances pursuant to state code. Loudoun County adopted an ordinance in 1973 – Chapter 848 – which empowers the Commissioner of the Revenue to determine whether the property meets the program criteria. The Code of Virginia § 58.1 Chapter 26 sets out the properties and certain types of organizations which shall be exempt from property taxation either by classification or designation.

**Who Does It:** This activity is performed by County staff who assist taxpayers with land use, tax deferral, and tax exemption inquiries by email, telephone, and in-person at the Leesburg and Sterling offices.

**Why We Do It:** The Commissioner of the Revenue's assessment duties are mandated by the Code of Virginia and local ordinance. The Tax Exemptions and Deferrals activity implements Virginia Code mandates and Board-approved tax exemptions and tax deferrals. This activity provides direct service to most land use and tax relief applicants.

**How We Do It Now – Current Service Level:** Current service level reflects processing 3,200 applications for the County's Tax Relief Program for the Elderly and Disabled annually, representing a workload of approximately 1,600 applications reviewed per staff member. At current service level, staff processes more than 1,600 exemptions for the County's Real Property Tax Exemptions for Service-Connected Disabled Veterans and their Surviving Spouse and Personal Property Tax Exemption for Disabled Veterans. For the Land Use Assessment Program, current service level reflects nearly 5,000 parcels enrolled in the program, with staff completing approximately 1,400 inspections and application renewals each year. There were more than 500 active solar exemptions in FY 2023, a 50 percent increase from the previous year. Current service level is processing between 275 and 300 applications per year.



## Commissioner of the Revenue: Tax Exemptions and Deferrals

**How We Plan to Do It in the Future – Recommended Service Level:** The current service level is the recommended service level. Still, continued growth in the number of applicants, organizations, and qualified parcels will result in the need for additional staff to manage the additional workload. Furthermore, changes in the qualifying criteria or other unpredictable legislative mandates from the Commonwealth will require a reevaluation of future staffing levels.

	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Estimated	FY 2025 Projected
<b>Complete the County's Tax Relief Program for the Elderly and Disabled application reviews by established deadlines.</b>					
Number of Tax Relief Program applications received	3,185	2,604	3,230	3,262	3,262
Average number of Tax Relief Program applications per staff member	1,593	1,302	1,615	1,631	1,631
Number of Tax Relief Program applications and recertifications approved	2,757	2,360	2,275	2,298	2,321
<b>Administer the County's Real Property Tax Exemptions for Service-Connected Disabled Veterans and their Surviving Spouse and Alternative Personal Property Tax Rate for Disabled Veterans.<sup>1</sup></b>					
Number of Real Property Tax Exemptions processed	968	1,334	1,640	1,648	1,656
Number of Alternative Personal Property Tax Rates processed	967	1,495	1,974	1,994	2,004
<b>Meet state requirements for renewal applications of all Land Use Assessment Program parcels every six years.<sup>2</sup></b>					
Number of parcels enrolled in the Land Use Assessment Program	4,969	4,986	4,952	4,995	4,995
Number of first-time applications submitted	41	38	42	40	45
Number of renewals	730	648	828	836	700
Number of inspections	1,201	775	541	546	800
<b>Administer the County's Tax Exemptions by Classification and Board Designation and submit recommendations to the Board's Finance Committee meeting in September annually.</b>					
Number of exemptions by designation applications received	8	5	6	8	5
Number of applications eligible	8	2	7	7	2

<sup>1</sup> The Attorney General has ruled that veterans are entitled to this exemption dating back to January 1, 2011, so long as they were adjudicated as disabled by that date. Exemptions are regularly processed for past years.

<sup>2</sup> The number of annual renewal applications changes from year to year based on the schedule to revalidate every six years.



## Commissioner of the Revenue: Tax Compliance

### Tax Compliance

**What We Do:** The Tax Compliance activity entails ensuring assessment of all subjects of County business taxation by conducting in-depth reviews, which include obtaining tax returns, investigating, field inspections, and reviewing taxpayer books and records for tax compliance. It involves researching and addressing taxpayer reports of non-compliant businesses. Staff uses assessment resources including publications, electronic valuation subscriptions, internet research, and County vehicles to conduct field visits. For non-compliant taxpayers, staff may use various resources including assessment publications and electronic valuation subscriptions to value underreported or omitted tax assessments. Staff also conducts site visits and uses a variety of discovery methods to ensure proper reporting for business, professional, and occupational license tax; business tangible personal property tax; bank franchise, consumer utility, transient occupancy, short-term rental, and mixed beverage license tax; and other local business taxes. Moreover, staff issues audit determinations of tax liability, citing state code and local ordinance and explaining taxpayers' local tax liability in conformance with state law. Ultimately, if voluntary compliance is not achieved in a timely manner, staff will issue statutory assessments based upon available information and in conformity with local tax laws. Additionally, the Tax Compliance activity entails receiving appeal requests, conducting in-depth reviews related to the appeal requests, and issuing proper determinations of tax liability in conformance with state law. Also, staff assists with business personal property tax assessment and business license inquiries by email, telephone, and in-person.

**Mandate Information:** The Code of Virginia § 58.1-3109 states that the Commissioner of the Revenue will review the lists of all persons licensed by the Commissioner and assess, for the current license year, additional license taxes for any person who has reported less than the law requires; and, upon investigation, assess the proper license taxes for any person who has, without a license, conducted any business for which a license is required. The Code of Virginia § 58.1-3109 further states that the Commissioner shall require every taxpayer who may not have properly returned to the Commissioner all of their tangible personal property and licenses for the current tax year and the three preceding tax years to make the proper and complete return. The Code of Virginia § 58.1-3110 provides the authority for the Commissioner to summon the taxpayer or any other person to appear before the Commissioner at the office, to answer, under oath, questions touching the tax liability of any and all specifically identified taxpayers and to produce documents relating to such tax liability, either or both. The Code of Virginia § 58.1-3903 states that the Commissioner shall make an assessment for any local tax which has not been assessed for any tax year of the three preceding tax years or that the same has been assessed at less than the law required for any one or more of such years.

**Who Does It:** This activity is performed by County staff who conduct in-depth audits and site visits, and process appeal requests to ensure accurate assessments of tax in conformity with state law and local ordinance. Staff also ensures proper reporting, which requires staff to compare local business filings with state and federal tax filings, as well as taxpayer filings with other jurisdictions within the state. Compliance staff also assists owners with registering their businesses and filing their taxes with the County.

**Why We Do It:** This activity ensures uniform and thorough application of local business taxes, as well as compliance with business tax laws. Compliance officers identify unregistered businesses through the evaluation of discovery resources and even offer themselves as a personal contact for many County business owners to contact for assistance with registration, proper filing, and becoming tax compliant. Business tax auditors and compliance officers work to encourage voluntary compliance with local tax regulation and capture revenue lost due to noncompliance, incorrect records, and filing errors. This activity ensures uniform, fair, and equitable taxation, thereby increasing revenue collection through proper interpretation and application of local tax laws, either by voluntary or involuntary compliance. Correcting classification and filing errors reduces the County's refund liability.

**How We Do It Now – Current Service Level:** Current service level reflects auditing approximately 20 percent of business personal property accounts annually. Current service level involves conducting field or desk audits of approximately 10 percent of business license accounts annually.



## Commissioner of the Revenue: Tax Compliance

**How We Plan to Do It in the Future – Recommended Service Level:** The current service level is the recommended service level. Growth in the population subject to local business taxes will require a reevaluation of future staffing levels. Legislative changes in tax programs administered by the Office may also affect future staffing levels.

	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Estimated	FY 2025 Projected
<b>Audit 25 percent of business personal property accounts annually.</b>					
Number of business personal property accounts	39,782	40,547	40,856	40,897	40,938
Number of business personal property accounts audited	12,388	3,637	4,074	8,179	10,234
Percentage of business personal property accounts audited	31%	9%	10%	20%	25%
Number of business personal property desk audits	8,728	3,213	1,479	3,000	3,200
Number of business personal property field audits	3,660	56	680	1,000	1,100
<b>Audit 15 percent of business license accounts annually.</b>					
Number of business license accounts	17,484	15,950	15,876	16,019	16,179
Number of business license accounts audited	2,343	88	618	1,602	2,103
Percentage of business license accounts audited	13%	1%	4%	10%	13%
Number of business license desk audits	719	67	115	481	946
Number of business license field audits	1,564	21	503	1,121	1,157



## Commissioner of Revenue: Administration

### Administration

**What We Do:** This activity includes the development of the Office's strategic plan, day-to-day management of multiple divisions and office locations, allocation of resources, development and implementation of Department procedures, and interpretation of the Code of Virginia to ensure the fair and equitable application of local taxes. The Commissioner of the Revenue is authorized to operate in a single location that is convenient to the majority of taxpayers. The Commissioner's Office is often viewed as the repository of information about real property, businesses, and taxpayers in the County. The Office receives numerous requests for statistical and other information from elected officials, other departments, state agencies and associations, other localities, taxpayers, and the media. While most of the data maintained by the Office is protected as confidential tax information, the Office provides actionable public data from the computer-aided mass appraisal and tax assessment software applications. In addition to mandated duties, the Office of the Commissioner of the Revenue assists the County's economic development efforts to attract and retain commercial enterprises by counseling prospective businesses on the tax advantages of a Loudoun location. The Office evaluates the fiscal impact of proposed legislative changes to taxes administered by the Office and their effects on Loudoun residents and businesses. The Commissioner's offices are located at the County Government Center in Leesburg; and the Loudoun Tech Center in Sterling is where the majority of walk-in customers are served.

**Mandate Information:** This activity provides support for conducting the services mandated by the Code of Virginia.

**Who Does It:** This activity is performed by County staff who respond to static and dynamic requests for information from elected officials, other departments, other localities, taxpayers, and the media.

**Why We Do It:** The Commissioner of the Revenue and staff provide direct service to most Loudoun residents and business owners on an annual basis. The Administration activity oversees the Leesburg and Sterling offices to provide convenient locations for residents to obtain services, file necessary returns, make inquiries, and request information; ensures the fair and equitable application of local taxes; and interprets the Code of Virginia.

**How We Do It Now – Current Service Level:** The Administration activity reviews, evaluates, and comments on bills during the Commonwealth of Virginia's General Assembly's session.

**How We Plan to Do It in the Future – Recommended Service Level:** Currently, no changes are foreseen that would necessitate modification to the current process described above.

