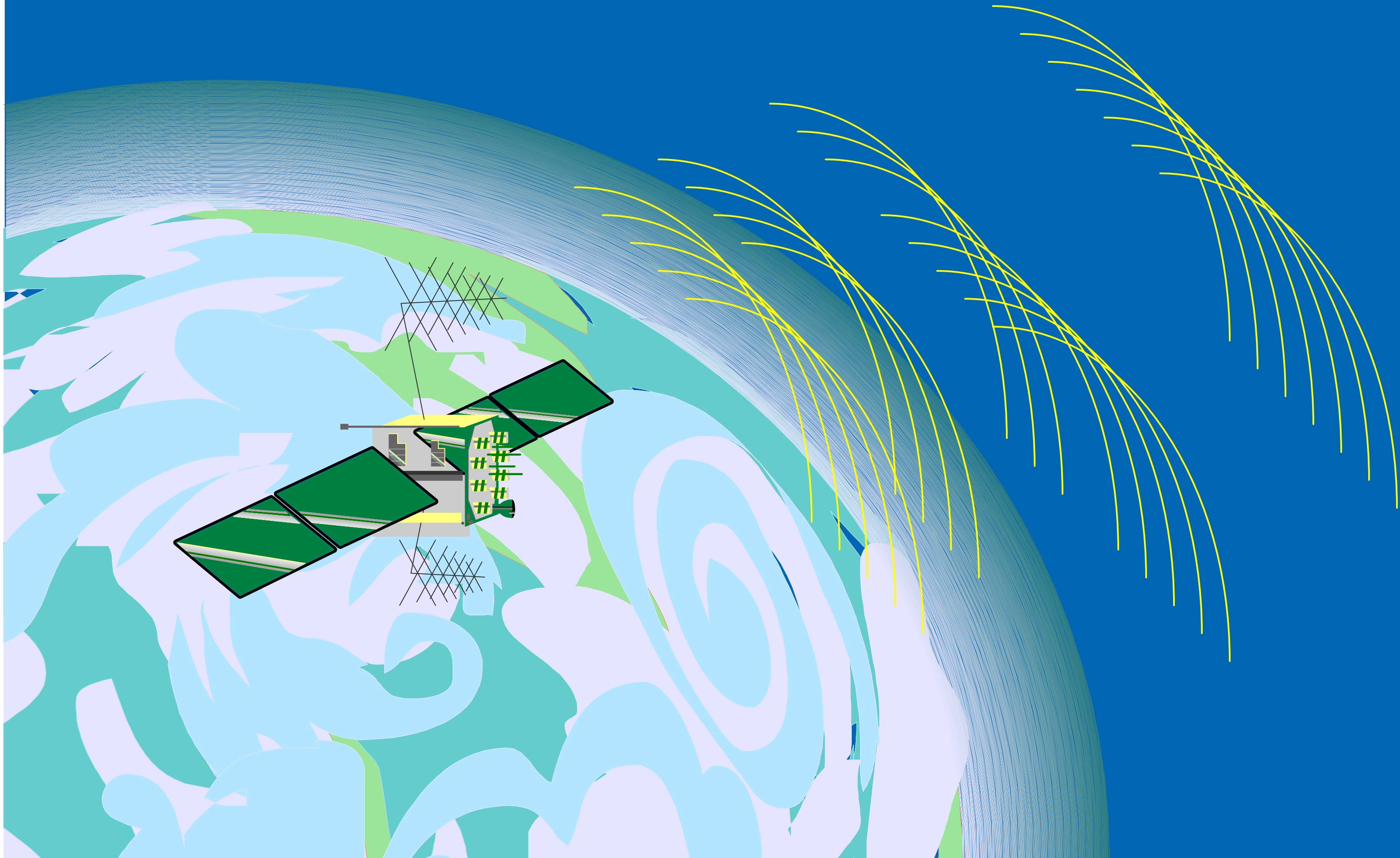
Revisions to the BPOL Tax



Summary of Revisions to the BPOL Tax Effective January 1, 1996

- Adopted March 1 as the new filing/payment deadline.
- Allowed filing extensions for reasonable cause.
- Eliminated flat fees in most categories.
- Established a standard deduction/threshold of $25K for all businesses operating within the County.
- Licensed professional corporations as one entity.

Summary of Revisions to the BPOL Tax Effective January 1, 1997

- Increased the standard deduction/threshold from $25-50K.
- Began the initial phase-in of a uniform tax rate of $.20/$100 of gross receipts for the majority of business classifications.
- Revised the County Code to conform with revisions mandated by the State.

Summary of Revisions to the BPOL Tax Effective January 1, 1998

- Increased the standard deduction/threshold from $50-75K.
- Instituted the second phase of the tax rate rollback to $.20/$100 of gross receipts.

Summary of Revisions to the BPOL Tax Effective January 1, 1999

- Increased the standard deduction/threshold from $75-100K.
- Instituted the third phase of the tax rate rollback to $.20/$100 of gross receipts.

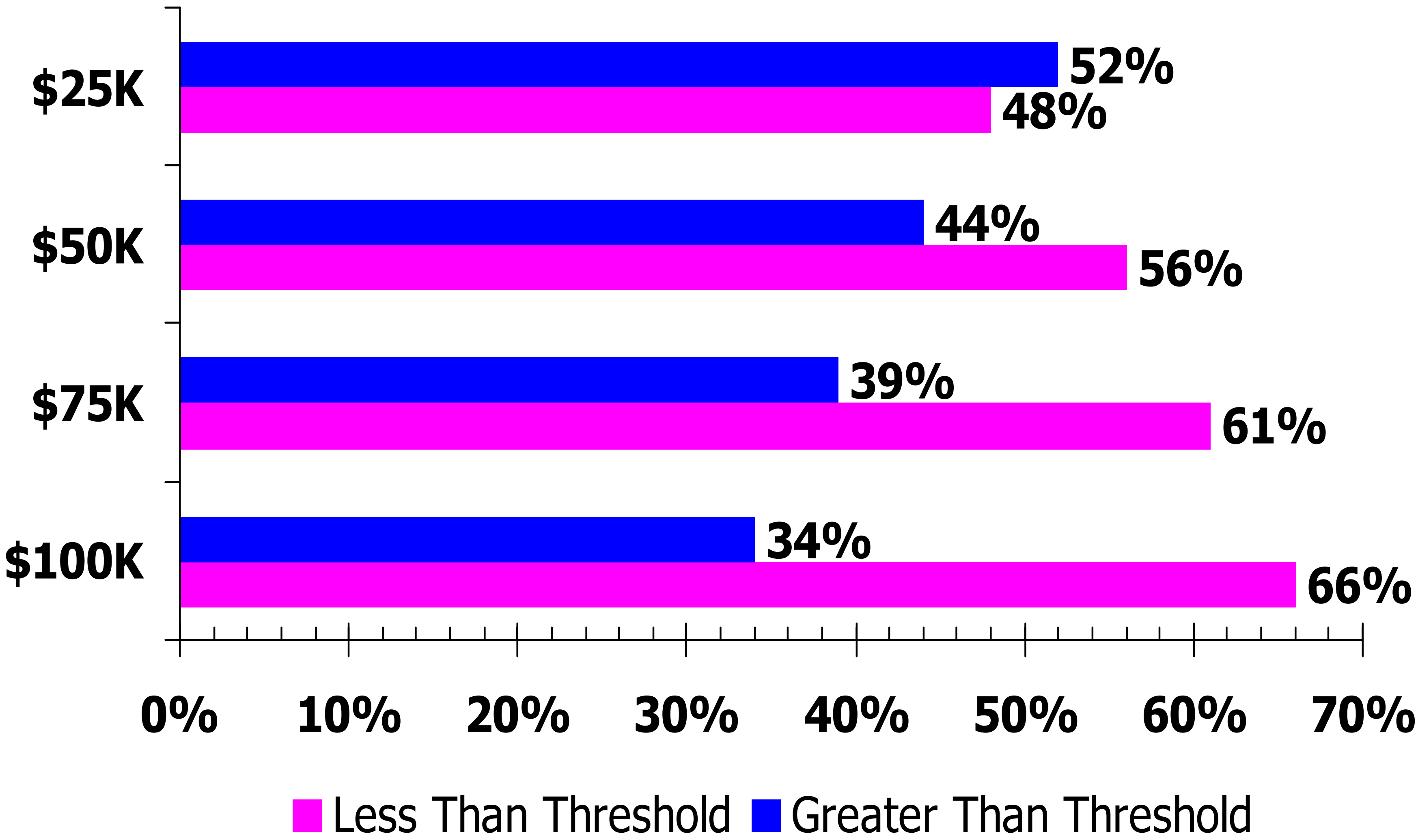
Summary of Revisions to the BPOL Tax Effective January 1, 2000

- Instituted the final phase of the tax rate rollback to $.20/$100 of gross receipts.

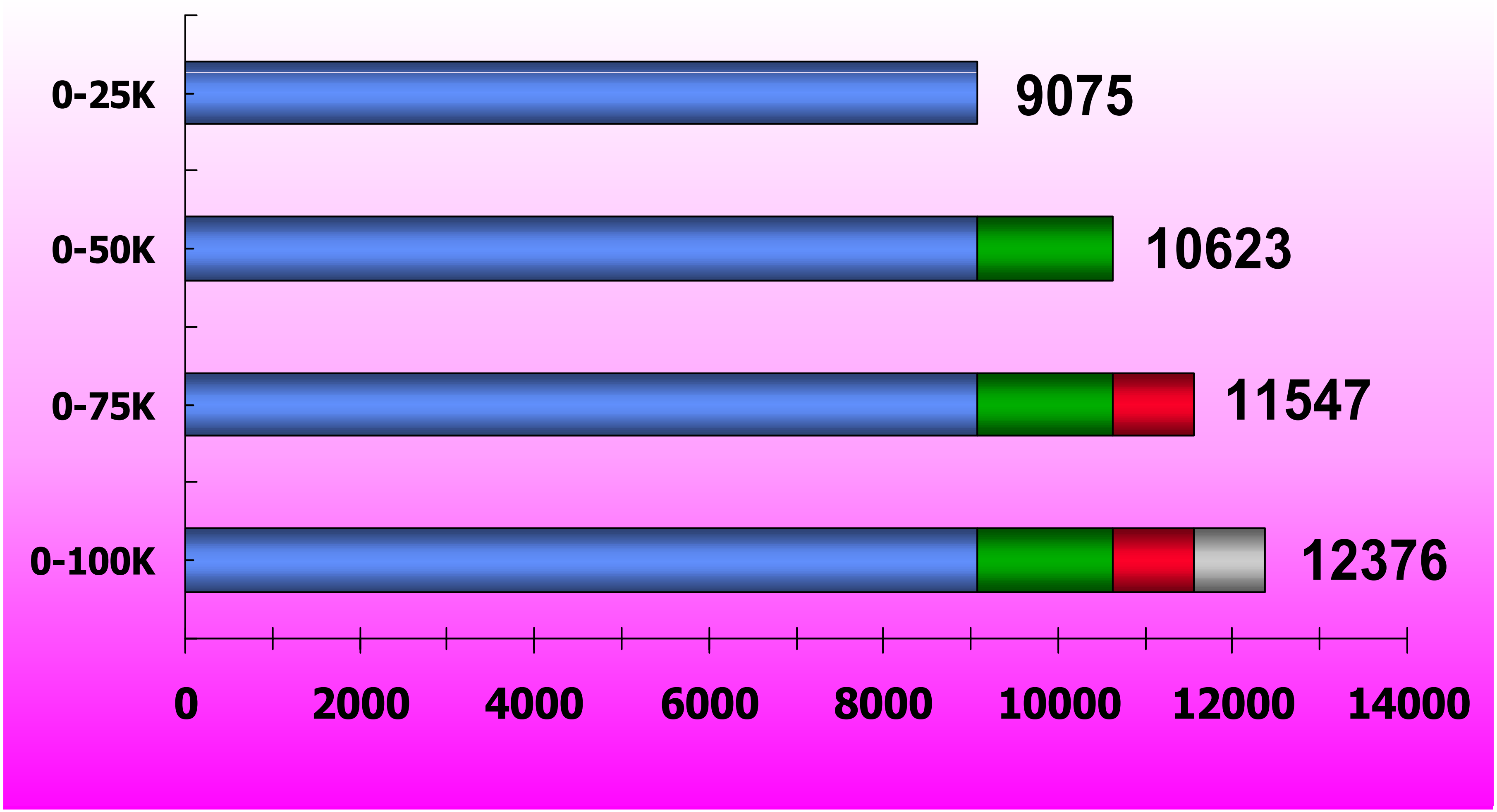
GRAND TOTAL: $5.45M (E) ANNUALLY

WHEN FULLY IMPLEMENTED JANUARY 1, 2000

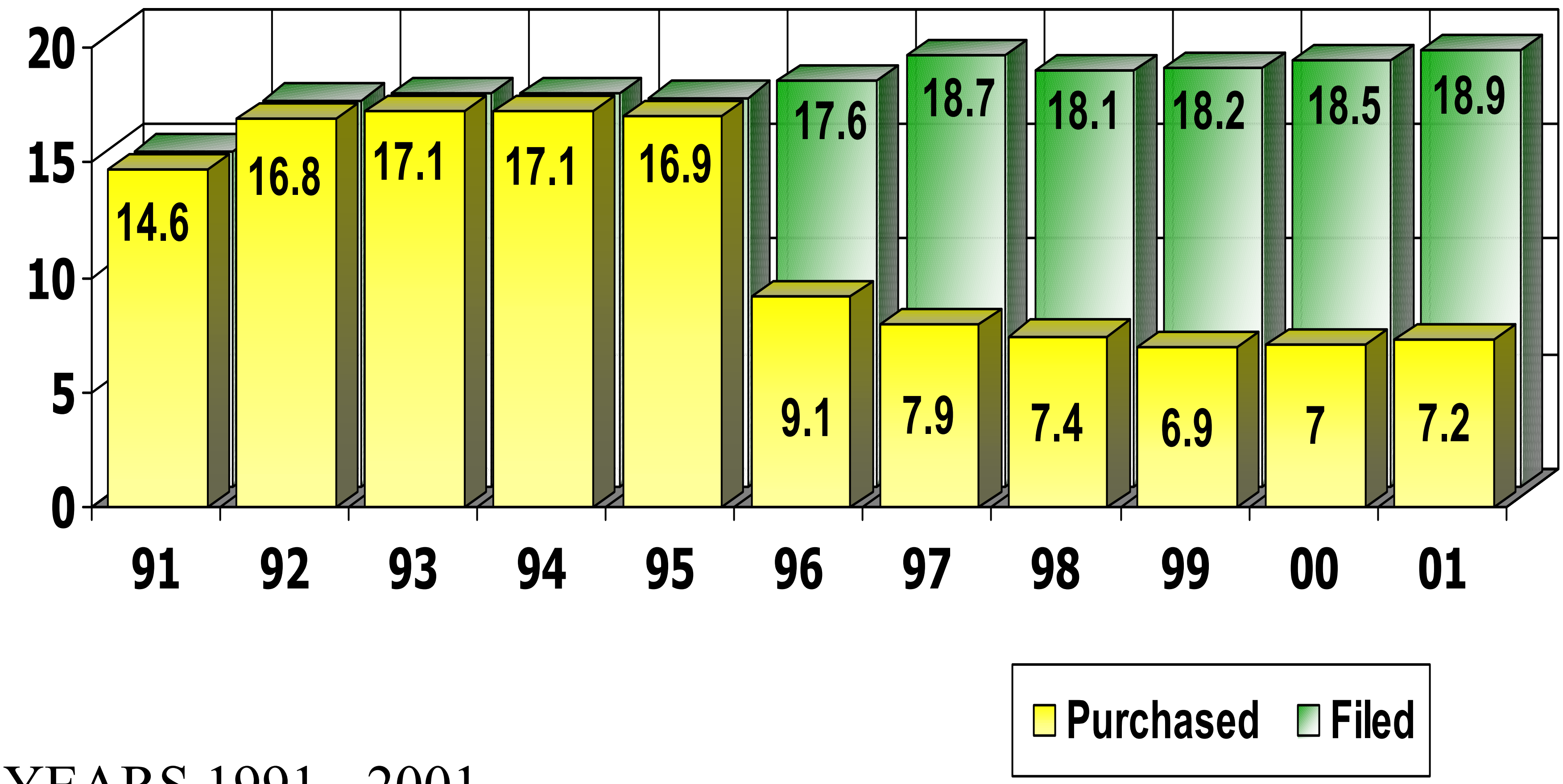
Analysis of Current Gross Receipts 2001



Breakdown of Active Businesses No Longer Required to Pay for a License 2001



of Business Licenses Filed Versus Purchased



YEARS 1991 - 2001

of Flat License Fees Imposed Upon Select Categories*

525

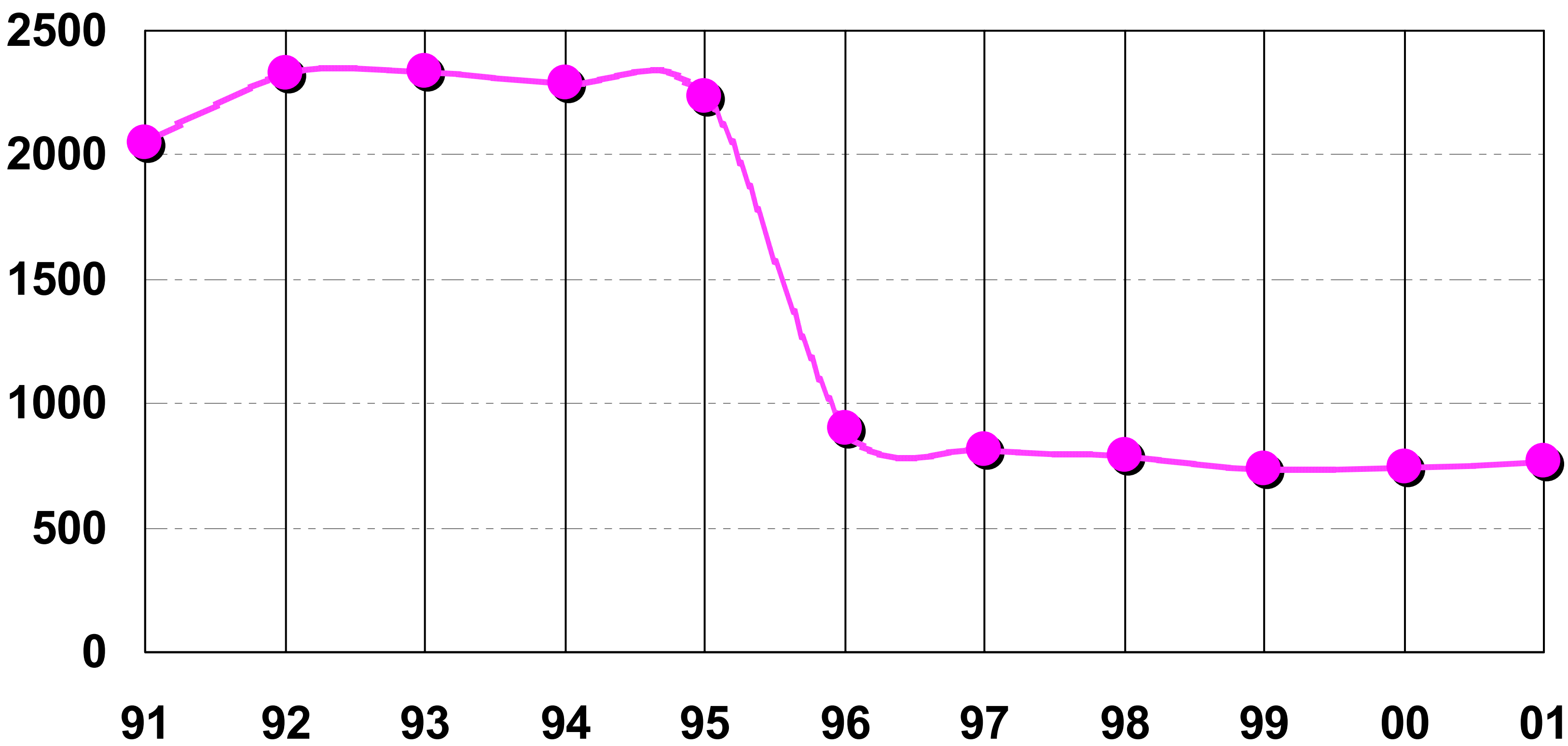
1995

0

2001

*Alcoholic Beverages, Carnivals/Circus, Fortune Tellers, Medicine Vendors, and Transients

Professional Licenses Purchased within the County of Henrico



* Reduction due to licensing of professional corporations as one entity (versus individual practitioners).

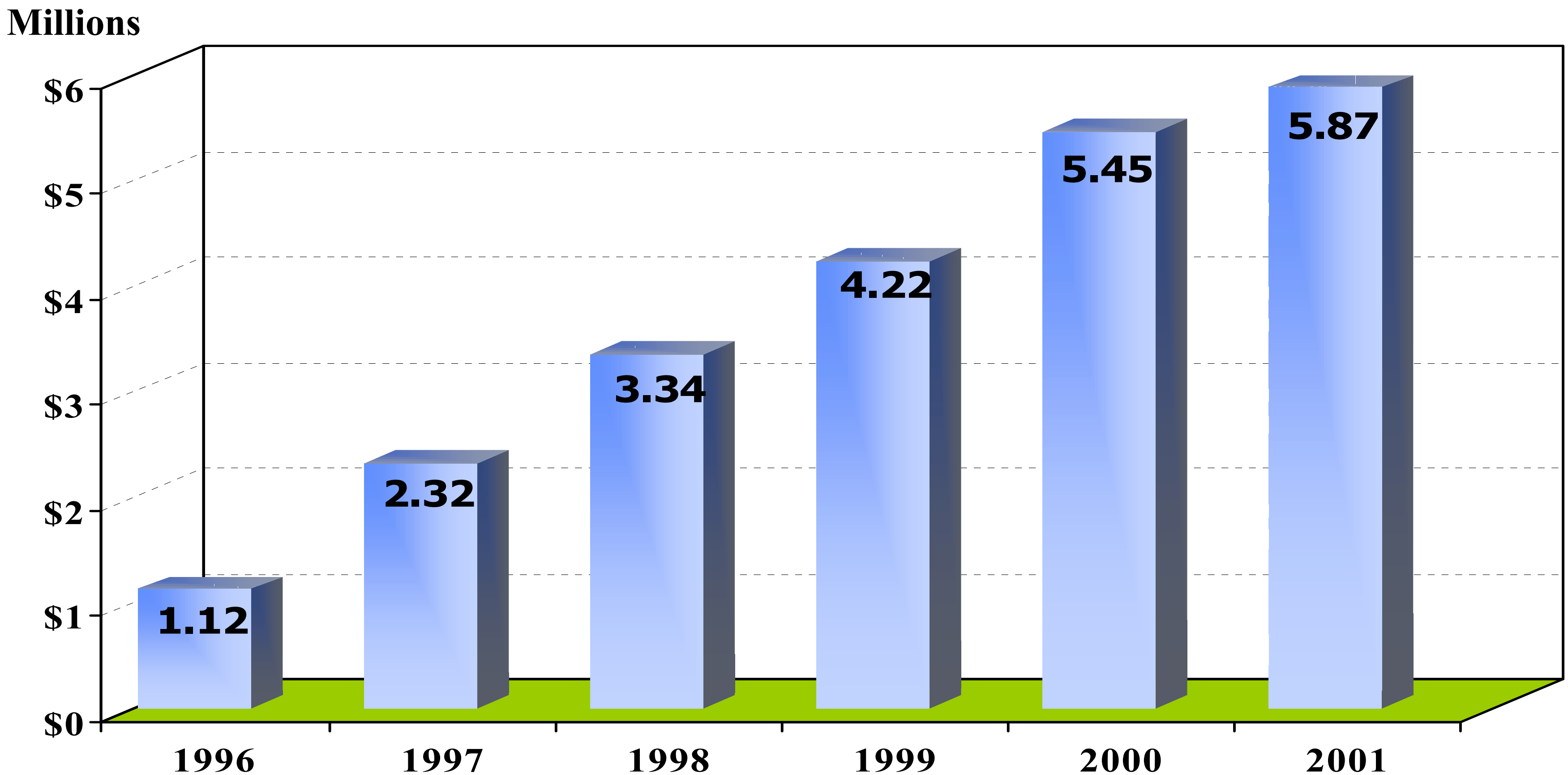
Rollback of Selected BPOL Rates 1996-2000

Major Classification	Original Rate 1/96	Revised Rate 1/97	Revised Rate 1/98	Revised Rate 1/99	Current Rate 1/2000
Bail Bondsmen	$0.36	$0.32	$0.28	$0.24	$0.20
Business & Misc. Service	$0.36	$0.32	$0.28	$0.24	$0.20
Coin Machine Operator ($200+)	$0.36	$0.32	$0.28	$0.24	$0.20
Commission Merchant	$0.36	$0.32	$0.28	$0.24	$0.20
Hotel/Motel	$0.28	$0.26	$0.24	$0.22	$0.20
Loan Companies/Bankers	$0.29	$0.26	$0.24	$0.22	$0.20
Professional Service	$0.58	$0.48	$0.38	$0.29	$0.20
Scientific Research/Development	$0.30	$0.26	$0.24	$0.22	$0.20

Financial Impact of Initiatives to Reform BPOL By The County

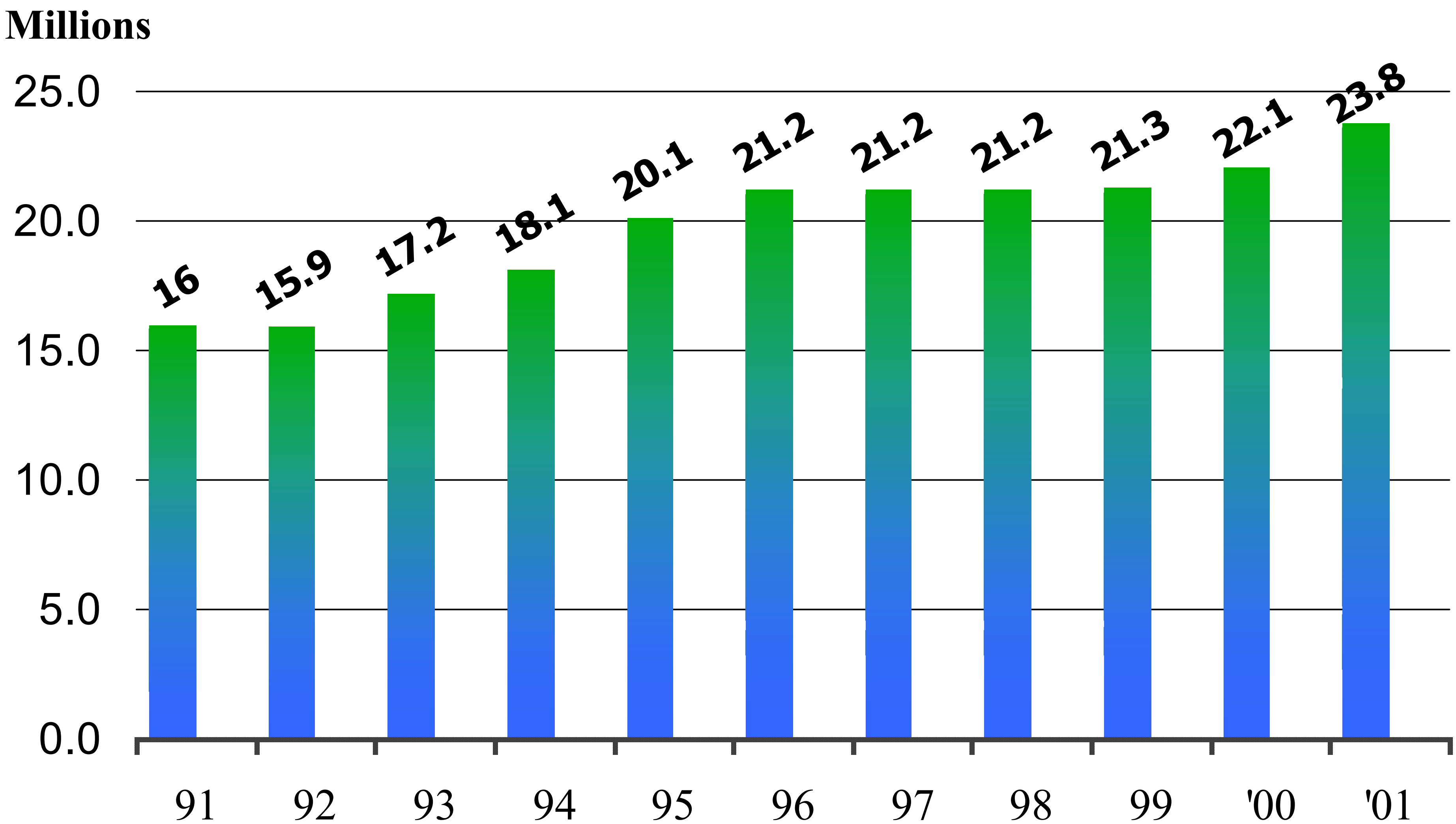
Incremental Change Due to Phase-in of $100K Standard

Deduction/Threshold & Flat Tax Rate of $.20/$100



Includes the total expense associated with adopting specific measures, such as: eliminating the payment penalty under certain circumstances; implementing a standard deduction/threshold; phasing-out most licenses based on flat fees; quantifying the interest income lost due to postponing the filing deadline until March 1; rolling back the tax rates in most categories, etc.

Business License Revenue



For the Years 1991 - 2001

Major Distinctions Between the County of Henrico BPOL Reform and the Program Advocated by the State of Virginia

- The standard deduction provided by the County is given to all businesses--while the State has simply established thresholds below which a business would pay a set fee of $100 (assuming the population exceeds 50,000).
- The tax rate itself is being rolled back within the County for 8 different classifications.
- The County plan is unique in that it was developed by the Board of Supervisors to be much more aggressive than the program advocated by the State--so many of their regulations do not apply.

Thank You