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# Virginia Department of Taxation

## *2003 Tax Amnesty Program*

# What is Tax Amnesty?



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- A program proposed by Governor Mark Warner and passed by the 2003 Virginia General Assembly
- In most cases, taxpayers who have an outstanding bill or delinquent return for any tax administered by the Virginia Department of Taxation can receive tax amnesty

# Amnesty History



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- Last Tax Amnesty was held in 1990
- Generated \$32 million
- Required account balances to be paid in full

# 2003 Amnesty Administration



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- No up-front Amnesty application required
- Simple in design - “Bill by Bill”  
Amnesty will not require account to be paid in full (i.e. 1990 Virginia Amnesty)
- Interest will be frozen on day 1 of Amnesty window

# When is Virginia Tax Amnesty?



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- Virginia Tax Amnesty period
  - Began September 2, 2003
  - Ends November 3, 2003
- A taxpayer must act before Nov 3
  - Submit payment for eligible bills
  - File delinquent returns with payment, or
  - Establish an installment payment plan
- Amnesty will not be extended

# Virginia Tax Amnesty Benefits



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- If payment of tax due and  $\frac{1}{2}$  interest is made on eligible tax bills or delinquent returns, then...
  - ALL penalties for each bill or return are waived
  - The remaining HALF of the interest for each bill or return is also waived

# Virginia Tax Amnesty Consequences



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- If you are eligible for Virginia Tax Amnesty and do not participate, then...
  - A 20 percent penalty will be added to the unpaid tax due on your bill or delinquent return
    - This additional 20 percent penalty will apply to any eligible delinquencies and tax underpayments discovered after Tax Amnesty ends, such as future audit assessments
    - IRS refund may be seized to pay eligible Virginia Tax bills

# Who is eligible?



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- Generally, eligible periods will include:
  - Outstanding assessments greater than 90 days old as of September 2<sup>nd</sup>
  - Any business tax return (sales, withholding, etc) with periods ending on or before April 30, 2003
  - Individual and corporate income tax returns for taxable years 2001 and earlier (i.e., tax years beginning before January 1, 2002)
  - Go to [www.VaTaxAmnesty.Com](http://www.VaTaxAmnesty.Com) for details

# Who is not eligible?



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- Generally, the following will NOT be eligible:
  - Bills issued after June 4, 2003
  - Delinquent individual and corporate income tax returns for taxable years beginning January 1, 2002, or later
  - Delinquent business tax returns for periods beginning May 1, 2003, or later
  - Taxpayers under criminal investigation
  - Jeopardy and fraud assessments

# How Will People Be Informed?



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- The Department of Taxation has begun a broad awareness campaign
  - Television, print and billboard advertising
  - Detailed account notices have been sent to individuals and businesses with eligible bills and delinquent returns
  - Special toll-free number 877 VATAX-77 has been activated to answer questions and provide Amnesty assistance
  - Follow-up notices and phone calls during the period to ensure taxpayers are aware of the benefits and consequences

# Tax Letterman



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# What Can I Do?



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- Visit [www.VaTaxAmnesty.com](http://www.VaTaxAmnesty.com)
  - Access general information, forms, online filing, and frequently asked questions
  - Review Amnesty Guidelines and brochure
- The Department of Taxation representatives have information to provide Virginia Tax Amnesty assistance
  - Program eligibility guidelines and detail taxpayer accounting under Amnesty terms

# Where Can I Go for Help?



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- Norfolk District Tax Office
- Arlington County
- Fairfax County
- City of Bristol
- City of Danville
- City of Hampton
- City of Harrisonburg
- City of Roanoke

# What If I Don't Get a Notice?



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- Visit [www.VaTaxAmnesty.com](http://www.VaTaxAmnesty.com)
  - Click on QuickPay - a new online service from the Virginia Department of Taxation to research account status and pay bills - it's free and secure
- Call toll-free 877 VATAX-77 the Virginia Tax Amnesty hotline
  - This easy-to-remember number will be supported by representatives who can provide detailed account information and instructions

# How Can I Pay?



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- Visit [www.VaTaxAmnesty.com](http://www.VaTaxAmnesty.com)
  - Click on QuickPay - it's free and secure
  - Click on iFile - online filing and payment for individuals and business - it will require registration, but it's free and secure
  - Click on "Payment Options" for credit card services (fees will apply)
- Mail - special PO Boxes are located on the Tax Amnesty Web site

# Revenue Goal



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- \$48.5 million
- Tax collects approximately \$30 million per month
- Over two month Amnesty period, TAX needs to collect \$108.5 million

# Amnesty Stats



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- TAX mailed 400,000 notification letters
- Inbound calls
  - 118,621
  - 3,549 average per day
- Web Hits
  - 53,298
  - 1,606 average per day

# Thank you



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- Questions?

[www.VaTaxAmnesty.com](http://www.VaTaxAmnesty.com)