



**Loudoun County Business Tax Appeal Process**  
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This document outlines the appeal process available to taxpayers in Loudoun County for resolution of issues that may arise over local business taxes and includes all requirements for applying to the local assessing officer for review of a local business tax assessment. The Virginia General Assembly has instituted these provisions. In order to be entitled to the provisions, an appeal must first be submitted in accordance with the appeal process outlined below.

### General Information

1. In order for an appeal to be filed, an “assessment” must first occur.

*An assessment is a determination as to the proper rate of tax, the measure to which the tax rate is applied, and ultimately the amount of tax, including additional or omitted tax, that is due. An assessment shall include a written assessment made pursuant to written notice by the assessing official or a self-assessment made by a taxpayer upon the filing of a return or otherwise not pursuant to notice. A return filed or tax paid before the last day prescribed by ordinance for the filing or payment thereof shall be deemed to be filed or paid on the last day specified for the filing of a return or the payment of tax, as the case may be. An assessment includes a return filed on behalf of the taxpayer by the local assessing officer. Va. Code §58.1-3700.1*

2. Depending upon the basis of the request, taxpayers are eligible to submit either an appeal or an administrative appeal.

- An appeal of a business tax assessment may be submitted to request an amendment, reclassification, or correction of the assessment. Va. Code §§58.1-3980 - 58.1-3989
- If the assessment is the result of an “appealable event”, an administrative appeal may be filed to request an amendment, reclassification, or correction of the assessment. Va. Code §58.1-3703.1(A)(5)

*An appealable event is an increase in the assessment of a local license tax payable by a taxpayer, the denial of a refund, or the assessment of a local license tax where none previously was assessed, arising out of the local assessing official's (i) examination of records, financial statements, books of account, or other information for the purpose of determining the correctness of an assessment; (ii) determination regarding the rate or classification applicable to the licensable business; (iii) assessment of a local license tax when no return has been filed by the taxpayer; or (iv) denial of an application for correction of erroneous assessment attendant to the filing of an amended application for license. VA Code §58.1-3703.1(A)(5)(a)*

3. The time frame allowed for submission of an appeal is dependent on whether the request is an appeal or an administrative appeal:

- An appeal to the Loudoun County Commissioner of the Revenue may be filed within three (3) years from the last day of the tax year for any paid assessment or within one (1) year from the date of assessment, January 1<sup>st</sup>, whichever is later. *Va. Code §58.1-3980*
- An administrative appeal to the Loudoun County Commissioner of the Revenue may be filed within one (1) year of the date of an appealable event or within one (1) year from the last day of the tax year, whichever is later. *Va. Code §58.1-3703.1(A)(5)*
- Following an administrative appeal, within 90 days of the date of the Local Assessing Officer's determination, an administrative appeal may be submitted to the State Tax Commissioner. If new issues are present, within 30 days of the appeal notice provided to the State Tax Commissioner, the appeal to the State Tax Commissioner may be recalled and an administrative appeal filed requesting to address new issues, restarting the process. *Virginia Department of Taxation - Guidelines for Appealing Local Business Taxes §1.2*

The Virginia Department of Taxation, within the Guidelines for Appealing Local Business Taxes, specifies that, *"For any limitation of time in making an Appeal to the Tax Commissioner, Application for Review, reply or any other information or material...should the last day of such limitation period fall on a Saturday, Sunday, or holiday observed by the Commonwealth of Virginia, the Appeal, Application, reply, or other information or material may be filed on the next business day. For any limitation of time...the limitation shall begin to run on the day next following the event that triggers the time limitation."*

4. An appeal must be submitted in good faith. A submission in good faith is not "frivolous" or "jeopardized by delay". *Va. Code §58.1-3983.1*

*"Frivolous" means a finding, based upon specific facts, that the party asserting the appeal is unlikely to prevail upon the merits because the appeal is (i) not well grounded in fact; (ii) not warranted by existing law or a good faith argument for the extension, modification, or reversal of existing law; (iii) interposed for an improper purpose, such as to harass, to cause unnecessary delay in the payment of tax or a refund, or to create needless cost from the litigation; or (iv) otherwise frivolous.*

*"Jeopardized by delay" means a finding, based upon specific facts, that a taxpayer designs to (i) depart quickly from the locality, (ii) remove his property therefrom, (iii) conceal himself or his property therein, or (iv) do any other act tending to prejudice, or to render wholly or partially ineffectual, proceedings to collect the tax for the period in question.*

5. Incomplete appeal requests will not be accepted. The Commissioner of the Revenue, or his/her Deputies or Representatives, shall reject all incomplete appeal submissions. If rejected by the Commissioner of the Revenue, or his/her Deputies or representatives, the taxpayer shall be notified and given 30 days to complete the request.
6. Upon receipt of the full and complete appeal request, a full review will be conducted and a final written determination will be issued within 90 days.

7. The Commissioner of the Revenue, or his/her Deputies or representatives, may request to hold a conference with the taxpayer or request the submission of additional information or documentation. A request for documentation customarily affords the taxpayer 30 days to submit the information". Additionally, the Commissioner of the Revenue, or his/her Deputies or representatives may conduct a further audit or gather any other evidence deemed necessary for a proper and equitable determination of the appeal.
8. For additional information regarding appeals, please consult the Loudoun County, VA Codified Ordinances, Chapter 840 (<https://www.loudoun.gov/ordinances>). Additional information regarding business taxes is available at [www.loudoun.gov/cor](http://www.loudoun.gov/cor) or [www.tax.virginia.gov](http://www.tax.virginia.gov) or by calling the Office of the Loudoun County Commissioner of the Revenue at (703) 777-0260.

*The utilization of the appeal process does not preclude remedies available to the taxpayer through the Circuit Court.*

### **Instructions**

Please review the information provided in this document regarding eligibility for appeal, filing timelines and required documentation.

Specify the name and address of the taxpayer, physical location, Federal tax identification number and Loudoun County tax account number.

Clearly identify the assessment and the amount(s) in dispute.

Provide a detailed statement explaining why the assessment is erroneous. The statement should include facts, issues and supporting external documentation that supports the statement.

Provide a statement of the specific relief sought.

If a representative is selected for the appeal, please contact our office for an Appointment of Representative form. The name, title, mailing address, e-mail address and phone number of the representative, as well as a completed Appointment of Representative form, are required to designate a representative for your account.

Appeals and supporting documentation should be submitted by email to [btcor@loudoun.gov](mailto:btcor@loudoun.gov) or mail to:

Deputy Commissioner Business Tax  
Office of the Commissioner of the Revenue  
Loudoun County  
P.O Box 8000  
Leesburg, VA 20177-9804

*Appeals may also be submitted in person at either our Leesburg or Sterling office. If mailed, the appeal is considered to have been filed as of the postmarked date.*