

**CAREER DEVELOPMENT PROGRAM  
HANDBOOK**

**COMMISSIONERS OF THE REVENUE  
ASSOCIATION OF VIRGINIA**

(Effective October, 2008)

## FOREWARD

Constitutional Officers of Virginia have consistently sought to improve their skills and overall performance through ongoing regional and state education seminars and meetings. In recent years, local government has become more sophisticated and technology has enabled more citizens and taxpayers to have access to an increased amount of governmental information. In order to ensure greater accountability with the citizenry and increased uniformity with respect to office procedures, Constitutional Officers throughout the Commonwealth have moved toward more formalized Career Development guidelines.

This Handbook gives complete information on the Career Development Program for Commissioners of the Revenue and for Deputy Commissioners of the Revenue in the Commonwealth of Virginia. It outlines the eligibility requirements and the Standards of Accountability that lead to the designation of Master Commissioner of the Revenue (MCR) and Master Deputy Commissioner of the Revenue (MDCR).

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# DEFINITIONS

As used in this set of regulations and standards, unless the context clearly shows otherwise, the term or phrase:

**Application Forms** (Cooper Center Form #2 and Compensation Board Minimum Criteria Form #3 for COR or Form #4 for DCOR) mean the forms that are completed once the requirements have been satisfied;

**Association** means Commissioners of the Revenue Association of Virginia;

**Commissioner of the Revenue or Commissioner** means city or county Commissioner of the Revenue, or Director of Finance in those counties where the Director is charged with the same duties as a county Commissioner and where the Director of Finance believes in the principals set forth in the Constitution of the Commissioners of the Revenue Association of Virginia (CRAV), Article II (See Appendix Q);

**Cooper Center** means the Weldon Cooper Center (WC) for Public Service at the University of Virginia;

**Credit Hour** is defined as 15 hours of instruction.

**Deputy** means Chief Deputy, others designated as a deputy by their Commissioner, and those employed by a Commissioner of the Revenue and deemed eligible to participate in the Career Development Program.

**Enrollment Form** (Form # 1) means the form that is completed to begin participation in the Career Development Program;

**Major Committee** includes the following committees: Arrangements, Career Development Program, CDP Audit subcommittee, Communication/Technology, Education & Training, Executive, Legislative and Newsletter;

**Minor Committee** includes the following committees: Awards & Resolutions, Audit, By-Laws, Directory, Liaison (e.g. ABC, Attorney General, Bank Franchise, Compensation Board, Department of Taxation, DMV, DPOR, NADA, SLEAC, Treasurers Association, VALECO, VAAO), Game and Inland Fisheries, Membership, Nominating, Parliamentary, Public Relations, Staffing Standards and any ad hoc committee specifically designated by the Association President in a given year;

**Participating and Enrolled** means officially registered with the Cooper Center and actively taking courses and/or accumulating points within each 12 month period (November 1 – October 31);

**Tax Administration** means the assessing, auditing, and enforcing of local taxes including real and personal property taxes, business taxes (machinery and tools, BPOL, merchants' capital, excise taxes, short-term rentals), local tax exemption programs (property tax relief for the elderly and handicapped, land use assessment, real and personal property exemptions), utility taxes, public service corporations, bank franchise taxes, state income taxes and other taxes as may be adopted by state and/or local legislation;

**Related Fields** means accounting, finance, assessment, commerce, legal administration, government, political science, public administration, or business administration.

# PROGRAM OVERVIEW

## **PURPOSE OF THE PROGRAM**

Tax Administration, like other professions, requires special study, knowledge, and skills. The constituency that is served by the Commissioner of the Revenue and his/her staff must have confidence that staff in a Commissioner's office possesses a high level of professional competence. This program is designed to

- Identify criteria by which to measure professional attainment among Commissioners and their staff. These criteria are subject to amendment and updating from time to time;
- Encourage Commissioners and their deputies to raise their level of professionalism as measured by these criteria;
- Monitor the level of criteria achievement by Commissioners and their deputies and maintain records of such;
- Assist the public in evaluating the basic knowledge, competency, and professional accomplishment of the Commissioners and their deputies, and;
- Provide the Commissioners and their deputies a means of attaining professional recognition as a Master Commissioner of the Revenue or Master Deputy Commissioner of the Revenue.

## **ADMINISTRATION**

The chairperson of the Career Development Program (CDP) Committee shall designate a Career Development Program Audit (CDPA) Committee that shall have responsibility for the review of master Commissioner and Deputy candidate application packages. This committee shall review and approve, or reject, each application for initial designation and for renewal of such designation, and shall submit such findings to the State Compensation Board to qualify each candidate for salary supplements as granted by the Virginia General Assembly.

The office of each Commissioner of the Revenue that has applied for designation as Master Commissioner of the Revenue shall receive an onsite audit from the Career Development Program Audit Committee and shall be subject to random audit of all documentation to substantiate eligibility for Master designation from the State Compensation Board.

The designated Weldon Cooper Center staff member shall serve as liaison to the CDP Committee and to the CDPA Committee.

**GENERAL ELIGIBILITY FOR CAREER DEVELOPMENT PROGRAM DESIGNATION**

In accordance with the Appropriation Act, general eligibility for candidates for the CDP designation is as follows:

- Each candidate for MCR must be an elected or appointed official for a **minimum** of two years prior to the submission of the office Compensation Board budget request (Feb. 1)), in a position so identified under the governmental structure of the public body for which the candidate serves;
- Each candidate for MDCR must be an appointed deputy for a **minimum** of three years prior to the submission of the office Compensation Board budget request (Feb. 1));
- The candidate **must** be a member of the Commissioners of the Revenue Association of Virginia, **in the capacity for which the candidate is seeking** Master designation, for at least two years immediately prior to the time of application for designation, and must retain membership in the Association;
- The candidate must achieve and maintain the Education and Service to the Association requirements administered by the Cooper Center, in accordance with the standards set forth by the Cooper Center ([www.coopercenter.org](http://www.coopercenter.org)), the Commissioners of the Revenue Association of Virginia, and the State Compensation Board;
- Completed coursework will be considered a permanent part of the candidates transcript
- The candidate must maintain the policies as designated by the Compensation Board as set forth in the Standards of Accountability
- The candidate must adhere to, and practice, the Code of Ethics and Standards of Professional Conduct of the IAAO;
- The candidate must complete the application form (MCR Form #2, MDCR Form #3) of Career Development for the Commissioners of the Revenue Association of Virginia and must remit the required fees to the Cooper Center; and
- The Master Commissioner of the Revenue must verify the minimum number of deputies that are participating and enrolled in the CDP. This minimum requirement is determined by the population size as follows:

Locality Population	Req'd Min. # of Deputies Enrolled
Less than 19,999	1
20,000 – 39,999	2
40,000 – 69,999	3
70,000 – 99,999	4
100,000 – 174,999	5
175,000 – 249,999	6
250,000 and over	7



## **DESIGNATION OF PROFESSIONAL TITLE**

A Commissioner or Deputy Commissioner of the Revenue meeting the requirements as stated by the CDP shall be designated a Master Commissioner of the Revenue (MCR) or as a Master Deputy Commissioner of the Revenue (MDCR), respectively.

## **SALARY INCENTIVE**

Salary incentives funded by the Compensation Board are contingent upon General Assembly appropriations.

### *Commissioners of the Revenue*

Upon successful completion of all criteria for the CDP, the Commissioner of the Revenue salary will be based upon the levels of service offered by that Commissioner for his/her locality and will be in accordance with the following schedule:

- 4.7% increase for all Commissioners who meet the outlined criteria and provide the base duties as prescribed by the Virginia Code.
- 2.3% additional increase for all Commissioners who provide State Income Tax or Real Estate services as prescribed by the Virginia Code. (Total 7.0% increase)
- 2.3% additional increase for all Commissioners who provide State Income Tax and Real Estate services as prescribed by the Virginia Code. (Total 9.3% increase)

### *Deputy Commissioners of the Revenue*

Upon successful completion of all criteria for the Deputy Career Development Program, the Commissioner of the Revenue shall reclassify eligible Compensation Board funded deputy positions one pay grade (9.3% salary increase).

## **ENROLLMENT AND APPLICATION DEADLINE AND FEES**

### *Enrollment*

To enroll, the Commissioner or Deputy must complete the approved Enrollment Form (Form #1) available from the Weldon Cooper Center for Public Service or on the Commissioners of the Revenue website ([www.vacomrev.com](http://www.vacomrev.com)). This form provides basic information on the applicant's education and experience. There is a \$75 enrollment fee payable to the Cooper Center at the time of enrollment.

### *Initial Master Designation Application*

Upon completion of CDP requirements, the applicant shall complete the Association Application Forms (Weldon Cooper Form #2 and Compensation Board Minimum Criteria Form #3 for COR or Form #4 for DCOR) and submit them along with the required application fee to the Cooper Center no later than November 15.

Fees (subject to change due to subsequent contract renegotiation/renewal with Cooper Center)

The total fee for Commissioners' and Deputies' Master Designation is \$150. It is payable to the Cooper Center and submitted as follows:

\$75.00 - with initial Enrollment Form (Form #1)

\$75.00 - with Master Designation Application Forms (Weldon Cooper Form #2 and Compensation Board Minimum Criteria Form #3 for COR or Form #4 for DCOR)

In addition, a \$50.00 audit fee is due to the CRAV CDP committee treasurer for the Master Commissioner on-site audit conducted prior to initial designation. **The audit will not be scheduled without the remittance of this fee.**

### Career Development Program Audit Committee (CDPA)

On an annual basis, in conjunction with the submission of Commissioners' state budget requests, the CDPA Committee will provide to the Compensation Board the list of individuals who have successfully completed all requirement criteria necessary for designation as Master Commissioner of the Revenue or Master Deputy Commissioner of the Revenue. The office of each Commissioner of the Revenue that has applied for initial designation as Master Commissioner of the Revenue shall receive an onsite audit from the Career Development Program Audit Committee and shall be subject to random audit from the State Compensation Board of all documentation to substantiate eligibility for continued Master designation. Applicants for Master designation are encouraged to contact any member of the CDPA *prior* to an audit (on-site or random) to ensure that all requirements are met.

## **UPGRADE FROM MASTER DEPUTY TO MASTER COMMISSIONER OF THE REVENUE**

This is available only for those deputies who have been elected or appointed Commissioner and who are already designated as a MDCR. To upgrade to a MCR, the Deputy must meet ALL the requirements to become a Master Commissioner of the Revenue.

## **PRESENTATION OF PROFESSIONAL DESIGNATION**

Once a Commissioner of the Revenue has met all the requirements for designation as a Master Commissioner of the Revenue, an appropriate certificate will be forwarded to the respective Association Regional President to be presented to the qualified applicant. The certificate will be signed by a duly authorized representative from each of the following organizations: the Commissioners of the Revenue Association of Virginia, the University of Virginia Weldon Cooper Center for Public Service and the University of Virginia School of Continuing Education and Professional Studies. Presentation of such certificate will occur at a meeting of the Governing Body (City Council or Board of Supervisors) for the Commissioner's locality.

Certificates for Master Deputies will be forwarded to their respective Commissioners for awarding as the Commissioner determines to be appropriate. All Commissioners and Deputies attaining Master Designation during the previous year shall be recognized at the next Association Annual Meeting.

# MASTER DESIGNATION EDUCATION AND SERVICE COMPONENTS

## **ADMINISTRATION**

The Program shall be administered by the University of Virginia's Weldon Cooper Center for Public Service, the University's School of Continuing Education and Professional Studies, and the CDP Committee under the auspices of the Commissioners of the Revenue Association of Virginia. The State Compensation Board shall prescribe the standards to be met by Commissioners and Deputies in the Commonwealth of Virginia in order to attain the designation of Master Commissioner or Master Deputy Commissioner of the Revenue.

The Cooper Center shall also be the official record keeper, responsible for keeping accurate, updated records for use by the membership of the Association. All correspondence dealing with the program should be directed to the Center's designated staff person. Transcripts for all persons enrolled are available on the Cooper Center website ([www.coopercenter.org](http://www.coopercenter.org)).

***It is the responsibility of each Master candidate to maintain all verification records and to provide such records to the Cooper Center and/or the Career Development Program Committee, if requested.***

## **REQUIREMENTS FOR MASTER DESIGNATION**

### **I. Requirements for INITIAL Master Designation (Commissioner and Deputy COR)**

All applicants must be officially enrolled (See page 8) with the Weldon Cooper Center for Public Service in the Master Commissioner of the Revenue Program or Master Deputy Commissioner of the Revenue Program; accumulate a total of 100 points for Commissioners and 60 points for Deputies by a combination from the following sections (pages 13-16) relating to:

A. Education and Experience

B. Service to the Association

- Commissioners are **REQUIRED** to attain a minimum of six (6) points of Service to the Association. Commissioners are **STRONGLY ENCOURAGED** to permit Deputies to offer Service to the Association
- Deputies are exempted from the requirement of Service to the Association, but are **ENCOURAGED** to achieve points if they are able.

C. Continuing Education

All applicants must successfully complete the required number of courses (page 18).

### **II. Requirements for ANNUAL RE-DESIGNATION as Master Commissioner of the Revenue**

All applicants must be officially enrolled with the Weldon Cooper Center for Public Service in the Master Commissioner of the Revenue Program along with:

- successful completion of at least one core or elective course in a 12 month period of time (November 1-October 31)
- the accumulation of at least
  - 5 points/year in Education and Experience, *and*
  - 1 points/year in Service to the Association, *and*
  - 5 points/year in Continuing Education
- certification through the Compensation Board budget

### III. Requirements for ANNUAL RE-DESIGNATION as Master Deputy Commissioner of the Revenue

All applicants must be officially enrolled with the Weldon Cooper Center for Public Service in the Master Deputy Commissioner of the Revenue Program and:

- must accumulate a minimum of 5 points/year in a combination of Education and Experience, Service to the Association, and Continuing Education OR successfully complete at least one approved course during the previous 12 months (November 1-October 31)
- must take at least one core or elective course every three (3) years

The Cooper Center will verify that the candidate for initial master designation has:

- Accumulated a total of 100 points for Commissioners and 60 points for Deputies by a combination from the following sections (pages 13-16) relating to:
  - A. Education and Experience
  - B. Service to the Association  
Commissioners are **REQUIRED** to attain a minimum of six (6) points of Service to the Association. Deputies are exempted from this requirement of Service to the Association, but are **ENCOURAGED** to achieve points if they are able. Commissioners are **STRONGLY ENCOURAGED** to permit Deputies to offer Service to the Association.
  - C. Continuing Education
- Successfully completed the required number of courses (page 18).

*A deputy can attain master designation without the Commissioner completing the Standards of Accountability.*

## **POINTS**

### **A. Education and Experience**

For **INITIAL** Master Designation, a **maximum**\* of **30 points** from any combination of the following:

For items 1 through 7, credit granted only for the highest level of education completed.

1. Law degree or master's degree in the field of tax administration or related fields 25 points maximum
2. Bachelors degree in a related field from an accredited college or university 20 points maximum
3. Associate degree (related field) or bachelor's degree (unrelated field) from an accredited college or university 15 points maximum
4. Associate degree (unrelated field) from an accredited college or university or a diploma from an accredited business school 10 points maximum
5. High school diploma or GED 5 points maximum
6. Receipt of IAAO or CPA designation 25 points maximum
7. For Commissioners only, previous designation as a Master Deputy Commissioner of the Revenue 10 points maximum

For items 8 through 13, credit granted only for full years:

8. Leadership and/or Development Courses  
-to receive credit must be approved by CDP Committee (Form #4) 2 points/course - 10 points maximum\*
9. Experience as a Commissioner of the Revenue 5 points/year - 20 points maximum\*
10. Experience as a Deputy Commissioner 3 points/year - 21 points maximum\*
11. Experience in an Administrative or Legislative position in Virginia Government 2 points/year - 10 points maximum\*
12. Administrative position in any Federal, State, or local government 1 point/year - 5 points maximum\*
13. Experience as a paraprofessional or professional in the fields of Real Estate, Accounting, Assessing, Legal or Financial Services. 2 points/year - 10 points maximum\*

\* ***The maximum number of points is for initial designation only. For re-designation, points are accumulated on a yearly (Nov. 1 – Oct. 31) basis– a maximum is not applicable.***

## B. Service to the Association

For **INITIAL** Master Designation, a **maximum** of **15 points** from any combination of the following:

- |     |  |  |
|-----|--|--|
| 1.  | Committee Member (major) - active  | 2 points/year                                      |
| 2.  | Committee Member (minor) - active  | 1 point/year                                       |
| 3.  | Committee Chair (major)  | 4 points/year                                      |
| 4.  | Committee Chair (minor)  | 2 points/year                                      |
| 5.  | Subcommittee participation   | 1 point/year                                       |
| 6.  | Participation in Legislative Day(s)  | 1 point/day  |
| 7.  | President of the Association   | 6 points/year                                      |
| 8.  | Office of the Association (Vice-Presidents, Secretary, Treasurer, District Presidents) or President of VALTA, VAAO, VALECO   | 4 points/year                                      |
| 9.  | District Office Holders, and VALTA, VAAO, VALECO office holders other than the President (Vice President, Secretary, Treasurer, Historian)   | 2 points/year                                      |
| 10. | Participation on a statewide committee or board (e.g. SLEAC, Coal, Gas, & Mineral)   | 2 points/year                                      |
| 11. | Designated Mentor to new Commissioner  | 1 point/year                                       |
| 12. | Documented meeting held with one or more legislators other than Legislative Day. Submit signed letter to Cooper Center.  | 1 point/year                                       |
| 13. | Presentations.<br><i>To qualify, presentations must be offered at the Annual Conference, VAAO meetings, LGOC, Regional meetings, VALTA, and/or those meetings otherwise recognized as official Association meetings.</i> |  |
|     | For a formal presentation by one person  | 2 points   |
|     | For a group or panel presentation  | 1 point  |
| 14. | Instructor for core or elective course   | 4 points solo/3 pts. co-teach                      |
| 15. | Active participation in the development of one of the designated Core or Elective Course manuals. Points will be awarded based upon the degree of participation.   | 5 points – chair/primary<br>2 points - contributor |
| 16. | Course Administration - Coordination of conference or district courses -includes course, location, food, instructor, etc.  | 2 points/course                                    |

**All inquiries regarding point allocation for Service to the Association on committees other than those listed above should be directed, in writing, to the CDP Committee. That Committee will be the final arbiter for point determination.**

**\* The maximum number of points is for initial designation only. For re-designation, points are accumulated on a yearly (Nov. 1 – Oct. 31) basis– a maximum is not applicable.**

### C. Continuing Education

For **INITIAL** Master Designation, a **minimum\*\*** of **60 points (Commissioners) or 30 points (Deputies)** from any combination of the following:

An attendance roster must be maintained, a sample can be found on the CRAV website [www.vacomrev.com](http://www.vacomrev.com) . For district meetings, a copy of the agenda, listing speakers, topics and length of presentation, must accompany the attendance roster. Proof of attendance is required for national meetings; a copy of the final program is mandatory. *Partial credit is awarded as specified.*

The following conferences meet the standards for continuing education:

	<b>POINTS</b>		Maximum (initial desig. only)
	Per Day/ Meeting	Per Year	
1. Compensation Board/Commissioners Association Training for New Constitutional Officers			10
2. Compensation Board/Commissioners Association Training Program for Deputies			10
3. Association's Annual meeting 3 A. Partial Enrollment	1	5	10
4. Local Government Officials' Conference (LGOC)		2	8
5. District Meetings/User's Group Meetings/SLEAC meetings	1	4	16
6. VPI Small Business and/or Farmers Seminar		2	8
7. Income Tax Workshops sponsored by the Dept. of Taxation (may be administered over the web)		2	8
8. VAAO Education Seminar 8. A. Partial Enrollment accepted	1	3	12
9. VAAO Annual Meeting 9. A. Partial Enrollment accepted	1	3	12
10. Workshops sponsored by any agency or department of the Commonwealth of Virginia and approved by the CDP Committee. (e.g. COIN training, DMV Select training, IRMS training)		3	12
11. VALECO Annual Meeting		1	4
12. Other meetings/seminars/documentated sub-committee meetings pre-approved by the CDP committee. (e.g. ProVal, Bright, Munis, Camra, Laserfische, HTE, Customer Service)	1		16
13. Meetings of the Virginia Association of Local Tax Auditors (VALTA).	1	4	16
14. Workshops or Seminars sponsored by IAAO (does not include IAAO courses).	1	4	16
15. Meetings of National Associations (IAAO, ASA, etc.)		3	12

**\*\* The minimum number of points is for initial designation only. For re-designation, points are accumulated on a yearly basis (Nov. 1 – Oct. 31) - a minimum is not applicable.**

**For items 15 through 17 it is advisable to check with the CDP Committee before taking a class to ensure it will qualify for accreditation.**

15. Class(es) in the field of tax administration (1 point per credit hour)	3	12
16. Class(es) in the area of social and interpersonal concerns (1 point per credit hour)	3	12
17. Class(es) in the field of computers and software. (1 point per credit hour)	3	12
18. Class(es) repeated within 48 months	1 point	

**Grandfather Clause (for points)**

Points will be credited beginning July 1, 1996 with the following exceptions:

Section A: Education/Experience

Provided they are documented, points will be credited no matter how long ago earned.

Section B: Service to the Association

Points for Service to the Association are accumulated throughout the tenure of the Commissioner or the Deputy for the **INITIAL** MCR or MDCR designation. Thereafter, points are counted in accordance with the requirements for annual master re-designation.

Section C: Continuing Education

Points for Continuing Education are accumulated throughout the tenure of the Commissioner or the Deputy for the **INITIAL** MCR or MDCR designation. Thereafter, points are counted in accordance with the requirements for annual master re-designation.

## **COURSES**

The designated courses are divided into two categories-- **Core** (one of which is mandatory) and **Elective**.

### **Core Courses**

C 100	Roles and Responsibilities of the Commissioner of the Revenue (MANDATORY)
C 200	Taxation of Real Property
C 210	Real Property Appraisal or IAAO Course 101
C 220	General Reassessment
C 230	Land Use
C 300	Taxation of Tangible Personal Property- Basic or IAAO Course 500
C 310	Taxation of Tangible Personal Property- Advanced
C 400	Taxation of Businesses
C 410	Audit of Businesses
C 420	Assessment Administration or IAAO course 400
C 500	State and Federal Income Tax
C 510	Tax Exemptions in Virginia

\* Any IAAO course may be substituted for a core course.

### **Elective Courses**

E 110	Conflict Resolution
E 111	Effective Communications
E 112	Horse Sense for Leaders
E 120	Effective Media Relations
E 200	IAAO Workshops 550 and 551 (combined)
E 210	IAAO Workshops 552 and 553 (combined)
E 300	IAAO Code of Ethics and Standards of Professional Behavior
E 310	Lawful Employment Practices offered by the State Compensation Board (required completion of 12 hours for credit purposes)
E 320	Virginia Government and Law
E 321	Lobbying 101
E 330	Robert's Rules of Order
E 400	General Technology I
E 410	General Technology II
E 420	Bright Users Course – Personal Property Module
E 500	H&R Block Income Tax Course
E 600	Roles and Responsibilities of the Treasurer (Treasurer's Association course offering)
E 610	Customer Service (Treasurer's Association course offering)
E 620	Operating Budget (Treasurer's Association course offering)

Course completion requirements for **INITIAL** designation verified by the Cooper Center:

### **Commissioner of the Revenue**

- Successful completion of the mandatory core course, Roles and Responsibilities of the Commissioner of the Revenue, plus
- Successful completion of **at least three** of the remaining core courses (elective courses may **not** be substituted), plus
- Successful completion of **at least two** of the elective courses (core courses may **not** be substituted)
- **Examination is mandatory** for all courses.
- Upon successful completion of a course, it cannot be taken again and used for additional credit until 48 months have passed.

### **Deputy**

- Successful completion of the mandatory core course, Roles and Responsibilities of the Commissioner of the Revenue, plus
- Successful completion of **at least two** of the remaining core courses (elective courses may **not** be substituted), plus
- Successful completion of **at least one** of the elective courses (core courses may **not** be substituted)
- **Examination is mandatory** for all courses.
- Upon successful completion of a course, it cannot be taken again and used for additional credit until 48 months have passed.

ASA courses, as approved by the Career Development Committee, may qualify as substitutes for certain core and elective courses. Other equivalents may be established and announced in the future. Written application (Form #5) must be made to the CDP Committee for prior approval to substitute classes for the mandatory and elective courses as outlined above.

### **Grandfather Clause (for courses)**

In the case of nationally recognized program courses that may be approved for substitution, completion of these courses at any time is acceptable.

# STANDARDS OF ACCOUNTABILITY

- I. Overview
- II. Assessment Methodology
- III. Personal Property
  - A. Personal Property Book
  - B. Personal Property Tax Relief Reimbursement Percentage
- IV. State Income Tax
- V. Local Option Taxes
- VI. Appeals Process
- VII. Audit
- VIII. Customer Service
- IX. Personnel Policies and Procedures
- X. Technology
- XI. Appendix

Once audited by the CDPA Committee, all documentation pertaining to the Standards of Accountability must be maintained, kept up-to-date within the Commissioner's office and made available for review upon request.

## I. OVERVIEW

These Standards of Accountability for the Office of the Commissioner of the Revenue have been prepared by the Commissioner of the Revenue Association of Virginia to assist Commissioners in the development of policies and procedures necessary to meet the requirements of the Commissioner of the Revenue Career Development Program as established by the State Compensation Board. These Standards will further assist Commissioners across the Commonwealth in the establishment of uniform policies and procedures in order to maintain consistency between localities.

In order to achieve the Master Commissioner designation, a Commissioner of the Revenue must certify to the Compensation Board that he or she has policies and/or procedures in place in the following areas:

- Assessment Methodology
- Personal Property:
  - A. Book
  - B. Calculation of Personal Property Tax Relief Reimbursement Percentage
- State Income Tax
- Local Option Taxes
- Appeals Process
- Audit
- Customer Service
- Personnel Policies and Procedures
- Technology

These standards provide a framework under which a Commissioner's Office should be operated. They assist a Commissioner in creating a professional environment for his or her staff and constituents. These Standards are beneficial to all Commissioners even if a Commissioner opts to not participate in other aspects of the Career Development Program.

Each recommended policy should be reviewed to ensure that a Commissioner's Office at least meets the minimum standards outlined.

The Commissioner of the Revenue Association of Virginia recognizes that every locality is unique and may be unable to implement every suggestion for each standard. The Association endorses the fact that each Commissioner's respective office policy will reflect the unique personality of that particular office and locality. For that reason, **an individual Commissioner of the Revenue should not copy verbatim the sample policies provided.** Applicants for Master designation are encouraged to contact any member of the CDPA *prior* to an audit (on-site or random) to ensure that all requirements are met. See tab #31.

The Association recommends review by the local government attorney prior to implementation of personnel policies in a Commissioner's Office. This review will ensure compliance of the policy with current federal and state statutes as well as compliance with local ordinances.

All standards should list an effective date as well as the date they were created and last revised.

Policies must be used, if they are to be effective. As appropriate these policies should be distributed and reviewed with the Commissioner of the Revenue staff.

## II. ASSESSMENT METHODOLOGY

### Objective

Local assessments are administered in a professional, uniform, and equitable manner.

### Accountability Measurement

Establish, implement and maintain a professional, uniform and equitable assessment policy.

### Authority Requirements

Personal property is classified pursuant to §58.1-1100 and §58.1-3500 et.seq. of the Virginia Code. As required by §58.1-3503 of the Virginia Code, methods of valuing property are uniform within each category and may reasonably be expected to determine actual fair market value as determined by the assessing officer.

### Guidelines

#### *Valuation and Uniformity*

Upon request, the assessing officer will make available a reasonable description of the valuation methods used and take into account the condition of the property. This includes adjustments for high mileage and technological obsolescence. For a list of valuation guides, see Appendix A.

It is recommended that **mobile homes** be assessed based on square footage of living space.

**Automobiles, boats weighing less than 5 tons, boat trailers, and aircraft** are valued by means of a recognized pricing guide or on the basis of percentage or percentages of original cost.

**Boats or watercraft weighing five tons or more and all tangible personal property employed in a trade or business**, except as specifically described in §58.1-3503 of the Virginia Code (but including that which is used in a research and development business), are valued by means of a percentage or percentages of original cost.

Examples include:

- Fairfax County's business personal property and machinery & tools assessment scale at 80% of the original cost the first year, decreasing 10% each succeeding year with a remaining residual value of 20% for the life of the group.
- Cumberland County's scale is similar for business personal property except for a residual value of 40%, while its machinery & tools are assessed at a flat rate of 40%.

**Programmable computer equipment and peripherals used in a business** are valued by means of a percentage or percentages of original cost or by such other method as may reasonably be expected to determine the actual fair market value.

For such equipment, an assessment scale utilizing percentages of original cost and a 5-7 year assessment life cycle, with a remaining residual value is suggested.

For example, Fairfax County utilizes 60% of the original cost the first year, 40% the second year, 25% the third year, and 10% the fourth year, with a remaining residual value of 2%.

**Machinery and Tools**, other than energy conservation equipment of manufacturers, are valued by means of depreciated cost or a percentage or percentages of original total capitalized cost excluding capitalized interest.

Decisions Affecting Policy and Interpretations of Statutes

The assessing officer has knowledge of, and complies with, state and local codes, court case decisions, Attorney General opinions, and Department of Taxation advisory opinions that may affect locality specific assessments of personal property.

Discovery Tools

Personal property may be discovered through field canvassing or through an examination of:

Lists of tenants at: (1) marinas (2) boat storage facilities (3) airports (4) mobile home parks (5) shopping centers (6) office buildings and (7) apartment complexes.

Financing statements recorded with the Clerk's office

Building permits

Department of Motor Vehicle Records

State and Federal Tax Returns

### III. PERSONAL PROPERTY

#### A. Personal Property Book

##### Objective

Provide the Treasurer of the locality within a timely manner, and in the form prescribed by the Department of Taxation, all personal property accounts that have been assessed.

##### Accountability Measurement

The personal property book will be presented to the Treasurer of the locality listing all accounts that have been established by September 1 of each year or within 90 days from the date the rate of tax on personal property has been determined.

##### Authority Requirements

Section 58.1-3118 of the Virginia Code requires each Commissioner of the Revenue to retain the original personal property book in his/her office. Section 58.1-3119 states that the personal property book cannot be altered after it is delivered to the local Treasurer. According to Virginia Code §58.1-3120, if a personal property book was not created for the year prior to the Commissioner taking office, then the new Commissioner must complete the book for that year. Virginia Code §58.1-3109 states that the Commissioner of the Revenue must retain the Personal Property Book for six years.

##### Guidelines

###### *Arrangement and Contents*

The book must follow the form prescribed by the Department of Taxation and must be arranged alphabetically to show the persons chargeable with taxes. The address of each taxpayer shall be provided.

###### *Form*

The book may be delivered in the form of microfilm, microfiche, similar micro-photographic process, or by electronic means.

###### *Penalties*

If the personal property book is not delivered by September 1 of each year or within ninety days from the date the rate of tax on personal property has been determined, the Commissioner of the Revenue shall be fined not less than \$50 nor more than \$200 and shall not receive compensation for making out such books unless an extension has been provided by the Department of Taxation.

###### *Retention*

The personal property book does not need to be kept longer than six years following the tax year of the book. The Library of Virginia must be notified upon disposal of a book.

## **B. Personal Property Tax Relief Reimbursement Calculation**

### Objective

Understand the PPTR reimbursement process put forth by Virginia General Assembly legislation of 2004 and budget amendments of 2005 and assist the local governing body in the implementation of these changes.

### Accountability Measurement

The Commissioner of the Revenue must:

- Determine the method to calculate and reflect on the tax bills the PPTR to taxpayers based upon the fixed reimbursement received from the state.
- Propose PPTR rate to local board or council for adoption by ordinance or resolution.
- Determine the treatment of vehicles valued at and under \$1,000.
- Determine the method of allocating PPTR for qualifying vehicles.
- Take all reasonable steps to ensure that the vehicle owner has certified qualifying vehicles as such. Such certification shall be retrieved from the citizen at title registration/renewal, personal property filing, decal application/purchase, and/or personal property tax payment.
- Take all reasonable steps to ensure citizens are educated on the qualification criteria pertaining to PPTR.

### Authority Requirements

Personal Property Tax Relief is promulgated by the Department of Taxation as required in Virginia Code §58.1-3524.

## IV. STATE INCOME TAX

### Objective

To continuously improve customer service as it relates to Virginia State Income Tax and to process Virginia State Income tax returns in compliance with the Department of Taxation guidelines.

### Accountability Measurement

- Pass annual audit by State Auditor of Public Accounts.
- Maintain access to the Department of Taxation's State Integrated Resource Management System (IRMS).
- Process State Income Tax Returns and Estimated Income Tax payments as required per Department of Taxation's TARP.
- Meet the Disclosure, Security and Confidentiality Requirements as imposed by the Department of Taxation.

### Authority Requirements

The local filing of State Income Tax and Declarations of Estimated Tax Returns are established in the Virginia Code, § 58.1-305, 58.1-343 and 58.1-493. The processing of tax returns is outlined in the Department of Taxation's TARP.

### Guidelines

According to the Virginia Code, primary responsibility of the Commissioner of Revenue is to provide local assistance in the preparation and filing of state income and declaration of estimated income tax returns. In addition, a Commissioner of Revenue can expedite refunds by processing accelerated refunds on line. It is also important that a local Commissioner of Revenue work in conjunction with the Department of Taxation to implement methods of paperless return filing such as electronic filing (E-File) and Internet filing (iFile).

*The processing of tax returns includes screening, auditing, accessing tax due returns, and batching tax returns for shipment to the Department of Taxation.*

All payments received by the Commissioner of the Revenue for income tax or estimated tax payment must be transmitted to the local Treasurer within two banking days of receipt as per Virginia Code §58.1-307. Commissioners must prepare a memorandum of assessment for each tax return indicating a tax due including late filing penalty and interest, and must also prepare a monthly assessment sheet. A memorandum of assessment and monthly assessment sheet must also be prepared for locally filed Estimated Income Tax declarations.

Commissioners of the Revenue must keep records as prescribed or approved by the State Auditor of Public Accounts. These records must be maintained for a minimum of three years and are subject to annual audit from the Department of Taxation and the State Auditor of Public Accounts.

Commissioners of the Revenue must ensure confidentiality of taxpayer information. Methods used to ensure such confidentiality include limiting access to taxpayer information to authorized persons only, which includes verifying taxpayer identification when providing taxpayer information over the telephone or in person. Commissioners must also provide reasonable privacy when preparing tax returns and ensure records are secure during non-business hours.

## V. LOCAL OPTION TAXES

### Objective

To ensure uniform practices with respect to implementation and record keeping of Local Option Taxes.

### Accountability Measurement

Establish, implement, and maintain a process of discovering and implementing uniform practices for the filing, abatement and appeals of local option taxes.

These taxes may include: BPOL, Merchants Capital, Utility Taxes, Meals Tax, Transient Occupancy Tax, Daily Rental, Admissions Tax, Cigarette Tax, Severance Tax, and Franchise taxes.

### Authority Requirements

Authority for the implementation of Local Option taxes comes from two sources: The Virginia Code and from local ordinance.

#### *Business, Professional, and Occupational License (BPOL) Taxes*

Virginia Code §58.1-3703 authorizes counties, cities and towns to impose a local BPOL tax. The Department of Taxation promulgates and publishes the BPOL Guidelines, which provides direction in the implementation of the BPOL taxes. The Department also issues written advisory opinions concerning the BPOL tax.

#### *Merchants Capital*

Virginia Code §58.1-3709 segregates Merchants' Capital tax for local taxation only.

#### *Daily Rental Tax*

The governing body of any county, city or town may levy a daily rental tax on the gross proceeds of any person engaged in the short-term rental business as defined in Virginia Code §58.1-3710.

#### *Utility Taxes*

Every county, city or town is authorized to impose a license tax on utilities including electric, gas, and water in accordance with Virginia Code §58.1-3731.

#### *Meals/Food and Beverage Taxes*

In accordance with Virginia Code §58.1-3840 and §58.1-3833, cities and counties are permitted to impose a meals or food and beverage tax.

#### *Transient Occupancy Taxes (Lodging Tax)*

In accordance with Virginia Code §58.1-3840 and §58.1-3819, cities and counties are permitted to impose a transient occupancy tax on the rental of transient rooms.

#### *Admissions Tax*

In accordance with Virginia Code §58.1-3840 and §58.1-3817, cities and counties are permitted to impose an admissions tax on admissions charged for any event.

## *Cigarette Tax*

In accordance with Virginia Code §58.1-3830 and §58.1-3832, cities, counties and towns are permitted to impose a cigarette tax.

## *Severance Tax*

In accordance with Virginia Code §58.1-3712 and §58.1-3712.1, the governing body of any county or city may levy a license tax on every person engaging in the business of severing coal, gases or oil from the earth.

## Guidelines

### *Ordinances and Law Changes*

The Commissioner's duty for local option taxes is to review all local ordinances and be certain they are current and comply with the Virginia Code. Based on the wording of the local ordinances and state code the Commissioner should determine his or her responsibilities for implementation or collection. Collection is usually the responsibility of the Treasurer, however, if the Commissioner's office is to assume such a role, or will inadvertently receive payment from taxpayers, the Commissioner should have written policies and procedures in place to promptly remit such payment and have an audit trail established that will follow the transactions.

Commissioners should set aside time following the close of the General Assembly session each year to review all legislation passed that may impact their offices. Such changes should be promptly implemented, the public notified where needed and local ordinances changed also, if needed. While it should be the county or city attorney's job to write local ordinances, many Commissioners will find that they are the ones who need to notify their local administration about such changes.

### *Public Interaction*

The Commissioner should not only advertise the filing deadlines in the local newspaper but should have other means to keep the public informed about their responsibilities regarding local option taxes.

Development of a procedure for discovery should be accomplished and a written manual for staff training also provided that includes means to discover all property that is to be taxed or income that is to be reported. For local option taxes, procedures need to be in place to identify the businesses that would be subject to either payment of a tax or collection of a fiduciary tax. Suggestions for discovery procedures and sources are included in the Taxation of Businesses course. They include but are not limited to: media advertising, field audit and canvassing, and filing procedures for taxpayers.

Along with filing requirements and notifications for taxpayers comes the need for proper forms and instruction sheets so the public knows what to do and when to do it. One means of public notification includes the mailing of forms for the taxpayer's use in compliance. These may also include worksheets and instructions for such taxes as meals or transient occupancy taxes.

### *Internal*

Each separate type of tax brings opportunity for training of staff in the specific filing and procedures needed in the Commissioner's office. Staff should have a written reference showing the acceptable forms, time lines, backup needed, tax rates, and penalties and appeals processes.

Staff then needs to be trained in the proper posting, handling of payment, delinquent notification, and filing or record retention for each type of local option taxes being collected. A set procedure and time line structure will enable staff, when trained, to work more independently and provide better taxpayer information – which leads to greater compliance.

The Commissioner and their staff should have written collection procedures that are acceptable to the Treasurer and to any auditor to which they are subject. The person posting the account, when possible, should not be the person remitting the payment to the Treasurer. Receipt of all payments should be acknowledged as well. Separation of powers relating to assessment and payment should be given priority and a policy should be in use.

Finally record storage and procedures for maintaining or destroying historic data need to be created and maintained. Each office should have a record security clerk, who is responsible for keeping files current and disposing of any out of date records per Library of Virginia or Department of Taxation regulations. This same person may be the one selected to answer requests under the Freedom of Information Act regulations. Such FOIA requests may entail a charge for copying; prompt (5 day) reply, and mailing or other dispensing of information. It would fall to the designated record security staff member to determine when information cannot be released under FOIA (such as social security numbers or a taxpayer's sales receipt information).

### *Corrections*

A further section of the procedures manual (and training forum) should include the authority and procedures for exonerations, corrections, abatements, probations and other corrective measures. Appeals procedures for businesses must be included – particularly for business licenses and business property taxes but also for any type of taxes being handled by the Commissioner's office. Staff should have a reference and training in when historic data may be changed and what the taxpayer's appeal procedures are. They should know the local court system for purposes of taxpayer or Commissioner appeals and other means, such as appeal to the tax department when applicable.

Exoneration (abatement) procedures should include separation of powers and other regulations for arms length handling. Suggested paragraphs in this section may include: no staff person will exonerate their own or their family's taxes, the assessor of that section should not also be the exonerator of that tax type, the person receiving payment should not be the assessor or exonerator. Small offices should make a valid attempt to set some type of check and balance system that will help assure efficient service but good management of duties.

### Types Of Local Option Taxes

- *Business Licenses (BPOL)* – Business licenses are applied to the gross receipts of a business and may be on varying types of businesses such as retail, wholesale, contracting, professional, and service. There are also several categories of businesses where a flat fee applies as can be identified in Virginia Code and also outlined in the Department of Taxation BPOL Guidelines. Business licenses cannot be applied to businesses that are being taxed under Merchants Capital tax. Probably the most complicated of all taxes administered by the Commissioner of the Revenue, business license taxes have many rates, requirements, and regulations. Each Commissioner should provide to her BPOL staff copies of the Guidelines published by the Virginia Department of Taxation. All should be acquainted with the appeals procedures, exemptions, and interlocality regulations. Each office should have a means to access attorney general and court case data for business license purposes.
- *Merchants' Capital* – Merchants Capital tax is applied to inventory resale items; the business cannot also be taxed under the BPOL ordinance. Historic rates apply to merchants' capital and any training manual for staff should include all such pertinent data. The Commissioner may elect to use the Taxation of Business class workbook as his/her training aid.

- *Utility Taxes* – If a locality has the enabling ordinances, utility taxes apply to consumption of electricity and natural gas. Utility taxes are fiduciary taxes, meaning they are collected by the utility companies for remittance to the locality and are not the property of the utility companies. Many federal and state laws have changed regarding utility taxes and the Commissioner and staff should be aware of all new regulations regarding rates and applications of rates.
- *Telecommunication Taxes* – Effective January 1, 2007, the revenue from any communications tax is collected as a 5% tax by the state on local exchanges, paging, long distance, cable TV, Satellite TV, wireless of all kinds, and voice over the Internet (VoIP). The 5% is distributed to localities based on reported revenue.
- *Meals/Food and Beverage Taxes* – Food and beverage may be taxed, if there is a local ordinance, and the tax (a fiduciary tax) collected by the restaurant, snack bar, pizza parlor, filling station, fast food or other provider. Remittance procedures and filings are usually monthly to the locality. New regulations regarding the foods on which the tax is applicable were legislated in 2000 and an ordinance was prepared by the Virginia Municipal League to enact these new requirements. The Commissioner should have procedures for informing the public of the requirements under this section.
- *Transient Occupancy Taxes (Lodging Tax)* – Applied to a temporary rental of a sleeping room, the transient occupancy tax is also a fiduciary tax collected by the business and remitted to the locality. A stay of 30 days or more exempts the taxpayer from the transient occupancy tax.
- *Admissions Tax* – Admissions tax is applied to the ticket price at certain public events and may vary according to local ordinance. It is not to be applied to any ticket agent fee that is shown in addition to the admission price and in the nature of a service charge. Also a fiduciary tax, the promoter must remit the collected tax to the locality.
- *Cigarette Tax* – Cigarette taxes apply to whole packs of cigarettes or cartons of cigarettes. A locality with the ordinance providing for such tax will arrange for the cigarettes to be stamped indicating the local tax that applies. Enforcement of cigarette taxes is difficult due to the widespread selling of cigarettes and the fact they are easily concealed. It is a fiduciary tax. Some localities belong to organizations that handle the compliance with this tax. Such organizations or enforcement companies keep a portion of the tax as payment for their collection efforts.
- *Severance Tax* – Severance taxes are applied to the removal of natural elements from the earth. Usually applied in southern Virginia in the coal and natural gas fields; this tax requires a local ordinance. Extended discussion has occurred in recent years regarding the reliability of the reporting of such income and volumes of minerals on which the tax applies.

## VI. APPEALS

### Objective

Provide taxpayers a consistent, defined course of action when disputing a local assessment or valuation on business personal property, business licensing, or merchants' capital.

### Accountability Measurement

Verification that 100% of all written appeals of assessment for business taxes are issued a Final Determination within 90 days from the date of receipt of all requested information from the Attorney General, Department of Taxation, and client.

### Authority Requirements

#### *Business, Professional, and Occupational License (BPOL) Taxes*

Virginia Code §58.1-3703.1 governs the administrative appeals process for local BPOL taxes. The Department of Taxation promulgates and publishes the BPOL Guidelines, which provide direction in the implementation of the BPOL taxes. The Department also issues written advisory opinions concerning the BPOL tax. The appeals processes are addressed in the Guidelines under the heading of Administrative Appeals.

#### *Local Business Taxes*

Virginia Code §58.1-3983.1 provides that assessments of local Machinery and Tools Tax, the Business Tangible Personal Property Tax, and the Merchant's Capital Tax (commonly referred to as local business taxes) may be appealed to the Department of Taxation. Their involvement is limited to resolving appeals. The Department of Taxation no longer issues advisories concerning local business taxes.

You should consult with your city attorney or the Attorney General regarding questions and guidance concerning your tangible personal property tax issues.

#### *Other Local Taxes*

Consideration should be given to providing a similar appeal mechanism and procedures for those local taxes that are not governed by the above state code sections.

### Guidelines

The BPOL Appeals Process, governed by the Department of Taxation, is described in Appendix C. Sample documents are offered in Appendix E.

1. A written appeal must be filed with the local assessing officer within one year of the audit assessment. 3703.5A
2. Local collection efforts are to cease. Interest will continue to accrue on the balance due.
3. A response of receipt should be provided to the party filing the appeal. Consider providing an expected final response date to their appeal.

4. *The Guidelines* state that the final written determination should be prepared and presented to the appealing party within 90 days. The following should be used as a guide. (In the event outside counsel, City or County Attorney's office, Department of Taxation, etc., are utilized in the process and their involvement negatively impacts the predetermined response times detailed below, the appeal should not be included when determining adherence to the Accountability Standard of 100% as noted above.)
  - a. Recommend an appeals committee be instituted to oversee and provide guidance on evaluating written appeals.
  - b. Maintain a log to date and record all written appeals.
  - c. Date stamp and record in the appeals log all written requests for appeal of an assessment.
  - d. Provide a written response of receipt must be provided to the appealing party within 15 days of receipt of the appeal.
  - e. Contact the appealing party within 45 days from the date of initial response for additional information for use in the appeals evaluation process.
  - f. Grant the appealing party 14 days to respond to your request for information.
  - g. At the conclusion of the first 75 days from the date of appeal receipts, all information and recommendations should be presented to the Commissioner of the Revenue for evaluation.
  - h. Provide a written Final Determination to the appealing party within 90 days of receipt of the written appeal.
5. Within 90 days of issuance of the final determination letter, the appeal may be presented to Department of Taxation.
6. Send the Appeal of the Final Determination to:
 

Tax Commissioner  
P.O. Box 1880  
Richmond, VA 23218-1880
7. At any time, the appeal may be presented to the Circuit Court for a Correction of Erroneous Assessment under Virginia Code §58.1-3984.

The Local Business Taxes Appeals Process, governed by the Department of Taxation is presented in Appendix D. Sample documents are offered in Appendix F.

1. The administrative process is effective January 1, 2001; even for assessments made in earlier years.
2. Application for appeal of a property valuation assessment must be filed in good faith within three years from the last day of the tax year from which the assessment was made, or within one year from the date of the assessment, whichever is later. (§58.1-3980)
3. If the assessment is erroneous due to error or calculation, the Commissioner may correct the error without a formal petition from the taxpayer.
4. Upon receipt of the Application for Appeal, the Commissioner is to issue a written response acknowledging receipt of the filed documents to the taxpayer.
5. The Commissioner or local assessor shall issue a Final Local Determination within 90 days of the filing of Application of Appeal.
6. Within 90 days of the issuance of the Final Determination, the taxpayer may appeal to the Tax Commissioner.
  - a. The Commissioner will provide the taxpayers guidelines for Appealing Local Business Taxes and the applicable Virginia Code.

### Local Real Estate Taxes Appeal Process

Any person aggrieved by any assessment may apply for relief to the Board of Assessors, or if none, to the Board of Equalization created under Article 14 (§58.1-3370), or may directly apply for relief to the appropriate circuit court of the county or city in those localities where application to an aforementioned board is not a prerequisite to the jurisdiction of the court. Commissioners of the Revenue responsible for the assessment of real estate should consider implementation of an internal appeals process to oversee and provide guidance on evaluating written real estate appeals prior to taxpayer seeking relief from an aforementioned board.

- Internal appeals process should provide taxpayer with the assessing party's telephone number and define an appeal period, such as 30 days, whereby the taxpayer should notify the assessor of their dispute with the assessment.
- Upon receipt of notification that the taxpayer is in disagreement with the assessment, the assessing officer should respond to the taxpayer by telephone or mail within 10 days.
- The assessing officer should evaluate and provide the final determination to any subsequently provided information within 21 days of receipt (shorter time period preferred).
- In the event the taxpayer seeks to apply for relief from an aforementioned board they should complete a written notification that includes:
  - Address of the board
  - Statement desiring a hearing before the board
  - Description of the assessed property
  - Reasons or belief why they feel the assessment is erroneous
  - Provide any documentation supporting their reasons
  - Name, address, and signature of the property owner or agent seeking a hearing.

## VII. AUDIT

### Objective

To ensure customer compliance to applicable state and local tax laws.

### Accountability Measurement

Establish, implement and maintain an objective, systematic process of discovering, accumulating and evaluating financial records and other evidence in order to determine conformity of ad valorem and excise tax filings with the applicable state and local tax laws.

### Authority Requirements

The Virginia Code authorizes the local Commissioner to conduct audits of local taxes. A summary of authority is found in Section 58.1-3109(6) – Duties of commissioners as to personal property, income and licenses. Each commissioner of the revenue shall require taxpayers or their agents to furnish information relating to tangible personal property, income or license taxes of any and all taxpayers; and require such persons to furnish access to books of account or other papers and records for the purpose of verifying the tax returns of such taxpayers and procuring the information necessary to make a complete assessment of any taxpayer's tangible and intangible personal property, and license taxes for the current tax year and three preceding tax years.

Additional Virginia Code Sections available when conducting audits can be found in

- §58.1-3110 – Power to Summon Taxpayers and Other Persons;
- §58.1-3111 – Penalties;
- §58.1-3703.1 – Uniform ordinance provisions; and
- §58.1-3903 – Omitted local taxes or levies.

### Guidelines

The successful completion of the Commissioner of the Revenue Audit of Businesses course is recommended for this accountability standard.

## VIII. CUSTOMER SERVICE

### Objective

To serve all customers of the locality in a manner prescribed by an established Customer Service Policy.

### Accountability Measurement

Establish, implement and maintain a written Customer Service Policy for the Office of Commissioner of the Revenue

### Authority Requirements

Not applicable

### Guidelines

#### *Create a Mission Statement*

The requirements, objectives and goals of the office should be communicated with customers through a mission statement. An example of a Mission Statement is included in Appendix G.

#### *Know your Customer*

All Commissioners of the Revenue serve three primary customer categories on a daily basis:

- Citizens of the Locality
- Partners in Government
- Employees of the Office

The established customer service policy should identify each category of customer and address specific practices and processes that will serve to enhance effective service to these customers. A Sample Customer Service Policy is offered in Appendix H. Examples of items that may be included in such a policy are:

#### 1. Citizens of the Locality

- a. List the beneficiaries of your services in this customer category. They may include: individual taxpayers; businesses; manufactures; news media and non-profit organizations.
- b. Enumerate the day-to-day services provided to this category, including a brief description of the procedures and processes involved. Some of those addressed may include:
  - 1) Prompt answering of the telephone
  - 2) Periodic open house opportunities
  - 3) Publish periodic reports depicting assessment activity
  - 4) Peak season procedures and process enhancements
  - 5) List and explain various aspects of service and professionalism such as: courtesy; attitude; respect; image and knowledge. Conduct staff training in these and other areas as required.
- c. State the ways the level of service to this category are tested through devices such as performance measurements, surveys, and focus groups.

## 2. Partners in Government

- a. Include in this category such partners as other Commissioners offices; Treasurers; city/county departments; governing bodies; and state/federal organizations that interact with the Office of the Commissioner of the Revenue.
- b. Enumerate the primary procedures and processes that occur in periodic dealings with the various government partners. These might include the following:
  - 1) Coordination of extended hours during peak seasons
  - 2) Establishment of satellite offices
  - 3) Addition of part-time help
  - 4) Coordination of line control during peak seasons
  - 5) Distribution of flyers and brochures
  - 6) Processing of surveys from other agencies of government

## 3. Employees of the Office

- a. Recognize that each employee of the office has, as their customers, other employees within the office with whom they interact.
- b. Some of the methods used to emphasize this aspect of customer service include:
  - 1) Develop, in concert with employee involvement, a values statement to be adopted by the entire office
  - 2) Cross train employees as appropriate
  - 3) Use appropriate methods of rewards and discipline
  - 4) Provide training and education opportunities for employees

### *Continuously Improve Customer Service*

Sets appropriate goals for service to customers in the form of performance standards. In the customer service policy, the Commissioner focuses on service to customers in the day-to-day processes and procedures, including improvements that enhance services to all customer categories. Customer service standards should be set as goals to be met, and may not necessarily represent current levels of performance. Positive movement toward improved customer service is demonstrated by concentrated efforts to meet stated goals. Measurement of specific actions taken toward meeting these goals is useful to evaluate success and may include: internal audits; audits by other government agencies; performance measurements; surveys and focus groups.

## IX. PERSONNEL POLICIES AND PROCEDURES

### Objective

Provide Commissioner of the Revenue office staff with a clear definition of procedures and expectations with regard to the purpose and function of the Commissioner's Office.

### Authority Requirements

None

### Accountability Measurements

Establish, implement, and maintain a written personnel policy for the Commissioner of the Revenue's Office.

### Guidelines

A personnel policy will educate the staff as to the office structure, benefits, hours, etc., and will also document employer expectations. Some key components are:

#### *Introduction – Office Overview*

This section should define the purpose of the personnel policy and clearly establish the objectives and structure of the office. See Appendices I and J for Sample Organizational Charts of a Locality and of a Commissioner's Office, respectively.

#### *Compensation*

Included would be salary scales, pay periods, compensatory time and overtime, and benefits.

#### *Hiring and Promotion*

Discussion of how vacant positions are advertised, probationary period, orientation expectations, performance reviews, and promotions would be covered in this section. A Sample Performance Review is provided in Appendix K.

#### *Standards and Conduct*

This section might include hours of operation, holidays, leave, and expectations as to personal appearance, service, teamwork and commitment. This section should also address issues such as confidentiality (*Virginia Code* §58.1-3) and appropriate and ethical behaviors. For further information, refer to Appendix L (sample Confidentiality Policy), Appendix M (FOIA Handbook) and Appendix N (IAAO Code of Ethics).

#### *Discipline and Grievance*

Reasons for and types of disciplinary action would be discussed as well as grievance and appeals procedures, if applicable.

#### *Other Personnel Issues*

Important items to include would be a harassment policy, accommodation of persons with disabilities, work ethics (conflict of interest, gifts and contributions, outside employment), and an employee assistance program if applicable.

A Sample Outline for an Employee Guidebook is provided in Appendix O.

## X. TECHNOLOGY

### Objective

Ensure the efficiency and accuracy of processing and retrieving information through the implementation of a technology plan.

### Accountability Measurement

Implementation of minimum technological methods and procedures required to perform the duties of the Commissioner of the Revenue. The following outlines two categories: Criteria required to meet basic certification standards, and **optional** criteria that extend beyond the **basic** requirements but are highly recommended for implementation in the office of the Commissioner of the Revenue.

### Authority Requirements

#### *References*

Compensation Board Operating Manual  
The Electronic Signatures in Global and National Commerce Act, Public Law 106-229  
Secrecy of Information Virginia Code § 58.1-3  
Records Retention Virginia Code §42.1-76

#### *Terminology*

The following definitions are for terms used in the context of this document:

*Imaging* - The process of converting documents and images to electronic format or other media such as film.

*Internet* - Global group of public and private computers linked together to exchange information.

*Intranet* - A web site located on a network accessible through a web browser which facilitates information and file sharing.

*Local Area Network (LAN)* - Multiple electronic devices located in a relatively small area attached to facilitate information and file sharing.

*Personal Computer* - A programmable electronic device used to store, retrieve, and process data.

*Portable (Laptop) Computer* - A fully functional small, lightweight computer designed for mobility.

*Technology* - The application of scientific and mathematical principles to practical ends such as the design, manufacture, and operation of efficient and economical structures, machines, processes, and systems.

*Telecommunications* - The ability to communicate at a distance.

*Web Site* - A location on a server connected to the Internet providing information and file sharing to commerce.

*Wide Area Network (WAN)* - Connected electronic devices that can be separated by many miles.

## Guidelines

### Required Criteria:

#### *Inventory of Resources*

An inventory of all technological resources such as hardware, software, and telecommunications systems is maintained by the COR or by another department in the locality, a copy of which is kept in the Commissioner's office. See Appendix P for an example of an Inventory of Resources.

#### *Personal Computers*

Personal computers are utilized by office personnel for the processing, retrieval, storage, and archival of data and documents. Refer to the Compensation Board Operating Manual for recommended minimum requirements.

#### *Internet Access*

The Commissioner has the ability to access the Internet for interface with the Compensation Board, research and general governmental information.

#### *Electronic mail (e-mail)*

The Commissioner's office has an e-mail address by which customers can make inquiries, address concerns, and offer suggestions and comments.

#### *Web Site (Basic)*

A web site accessible via the Internet, where customers are able to find basic information such as services provided location(s), and times of operation.

#### *Technological Policies*

The following written policies have been developed and implemented by the Commissioner and a written agreement has been established.

- Software legitimacy policy certifying computer software license and copyright compliance throughout the department.
- Internet usage policy defining acceptable use of the Internet.
- Electronic mail usage policy defining acceptable use of the e-mail system.
- Computer security/confidentiality policy defining methods of securing all computers and information from unauthorized use, thus rendering the stored information confidential.

### *Disaster Recovery Plan*

A Disaster Recovery Plan has been developed and implemented, so data loss is mitigated in the event of a natural or man-made disaster. The recovery plan should include such elements as nightly backup routines; off site storage of backups; sources of re-supply for damaged equipment; individual personnel responsibilities; etc.

### *Maintenance and Upgrade Plan*

A plan has been developed detailing necessary maintenance, upgrades, and/or replacements as technologies evolve.

### *Technology Duties Assigned*

A specific person has been assigned the responsibility to maintain the office technology infrastructure, policies, and procedures as established by the Commissioner.

### *Optional Criteria:*

The following technologies may be implemented:

- A **voicemail** system integrated into the telephone system.
- Capability to send and receive **facsimiles** via fax machine or computer.
- **Mobile telephones** to communicate with persons frequently out of the office.
- **Pagers** for contacting persons frequently out of the office.
- **Portable computers** may be provided to persons required to perform duties outside the office.
- A **LAN** may be utilized for the storage, retrieval, and collaboration of information. Where the department occupies multiple office locations, a WAN may be used.
- **Imaging** may be used for the storage of non-permanent documents and records for later retrieval, thus eliminating large amounts of paper storage and making periodic destruction easier and less expensive.
- It is highly recommended that **downloadable forms and submission of applications** are available **via the web** site. Confidentiality of information submitted via online forms must be maintained in accordance with Virginia Code § 58.1-3, and therefore a secure site license is required. The submission of online forms must be in accordance with the Electronic Signatures in Global and National Commerce Act, Public Law 106-229, introduced May 6, 1999 with effective date October 1, 2000.
- **Ultimately the web site should be fully interactive.**