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Commissioner

Commissioner of the Revenue

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2023 Business License & Tangible Personal Property Tax Incentive Program Application

City Council adopted a business incentive program effective January 1, 2012. New businesses located in Virginia Beach for the first time with anticipated gross receipts greater than \$200,000 shall pay a fee of \$50 for the first two (2) license years. This program also provides qualified businesses exemption from tangible personal property for the first two (2) tax years.

Complete each question and email this form to the Business Taxpayers' Division via the submit button

Have you ever owned or operated a business in Virginia Beach?		YES	NO
If yes, Indicate Business Type			
Nature of Business			
Dates in Operation			
Has the business conducted business in Virginia Beach before today?		YES	NO
Business Start Date			
Is the business the result of a merger, acquisition, or a similar combination?		YES	NO
Is the business entity affiliated with another entity operating in Virginia Beach?		YES	NO
If yes, list affiliated business entities			
Are the officers or members also members or officers in similar ventures in Virginia Beach?		YES	NO
If yes, list entity names			
Is this transaction an entity or trade name change only?		YES	NO
Will this business have gross receipts greater than \$200,000 this year?		YES	NO
Do you feel you qualify for the Business License Incentive Program?		YES	NO
Do you also want to be considered for the tangible personal property exemption?		YES	NO
I, the undersigned, have read Article III, Sections 18-201 through 18-208, Business License Incentive Program for New Businesses in the Virginia Beach Code, attest that this information is true, accurate, and complete, and I understand that penalty of falsified information includes, but is not limited to revocation and/or prosecution, and I am duly authorized to sign on behalf of the above named company, its owners, officers, or members. To sign this document electronically, select the icon () on the toolbar at the top of the page or select "Tools", then "Fill and Sign."			
Business Name			
Business Address			
Print Name		Title	
Signature		Date	

CITY OF VIRGINIA BEACH

Chapter 18 - LICENSE CODE

ARTICLE III. - BUSINESS LICENSE INCENTIVE PROGRAM FOR NEW BUSINESSES

Sec. 18-201. - Purpose and intent.

The city council finds that the development of its business tax base requires a business license incentive program for new businesses ("incentive program"), and determines that a reduction in the business license taxes for qualifying new businesses will foster business development and encourage entrepreneurialism.

(Ord. No. 3184, 6-28-11)

Sec. 18-202. - Administration.

This article shall be administered and enforced by the commissioner of the revenue.

(Ord. No. 3184, 6-28-11)

Sec. 18-203. - Effective date.

This article shall be effective January 1, 2012.

(Ord. No. 3184, 6-28-11)

Sec. 18-204. - Definitions.

For purposes of this article, the following words shall have the meanings ascribed to them in this section:

Acquisition shall mean the combination of two (2) or more existing businesses where one (1) business acquires the ownership of the other business(es).

Business license year shall mean calendar year.

Change in business form shall mean a change in the organization of an existing business. A change in business form occurs whether such change is voluntary or involuntary, recognized by the state corporation commission or not recognized by the state corporation commission. A change in business form shall include a new business entity that meets the definition of "affiliated group," as that term is defined in Code of Virginia § 58.1-3700.1, and such business conducts business activities that are similar to one (1) or more of the affiliated businesses. However, a new business entity that meets the affiliation definition but undertakes a business that conducts substantially different business activities shall not be treated as a change in business form.

Merger shall mean the combination of two (2) or more existing businesses to establish a new business.

Name change shall mean the change in the name upon which a business trades. A name change occurs whether or not the business registers such name or change of name with the state corporation commission.

Qualifying business shall mean a business that locates for the first time in the city after the effective date of this article. A business shall not be deemed to locate in the city for the first time based on a merger, acquisition, similar business combination, name change, or a change in business form. A business shall not be deemed to locate in the city for the first time if there is an existing business in the city trading under the same or substantially similar business name, the businesses conduct similar business activities, and the businesses are related either by a shared ownership structure or a contractual relationship such as a franchisor/franchisee relationship. A qualifying business shall not include peddlers and itinerant merchants. A qualifying business shall not include a contractor required to obtain a business license by Code of Virginia § 58.1-3715(B). When applying for any benefit afforded under this article, the applicant shall have the burden of proving qualification as a qualifying business.

Similar business combination shall mean any transaction that is of the same nature as a merger or an acquisition. (Ord. No. 3184, 6-28-11)

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Sec. 18-205. - Presumption.

The incentive program is a program in the nature of a partial tax exemption. As such, the rule of construction provided by article X, section (f) of the Constitution of Virginia shall apply.

(Ord. No. 3184, 6-28-11)

Sec. 18-206. - Application and appeal.

(a) Any business seeking to qualify as a qualifying business shall complete an application in writing. The application shall be on forms developed by the commissioner of the revenue.

(b) Any determination of qualification or of nonqualification as a qualifying business shall be in writing by the commissioner of the revenue.

(c) The appeal of a determination of nonqualification shall follow the appeal process of any other business license tax decision.

(Ord. No. 3184, 6-28-11)

Sec. 18-207. - Business license tax reduction.

(a) A qualifying business that would otherwise be required to pay license taxes pursuant to City Code section 18-5.2(c) shall be entitled to pay business license taxes at the fifty dollars (\$50.00) flat fee provided by City Code section 18-5.2(b).

(b) The license tax reduction provided in subsection (a) shall apply to the business license year in which the qualifying business locates in the city and the following business license year.

(c) A qualifying business shall forfeit any entitlement to the license tax reduction provided in subsection (a) if such business is delinquent on any local tax including but not limited to personal property taxes, real property taxes, admissions taxes, meals taxes, and transient occupancy taxes.

(Ord. No. 3184, 6-28-11)

Sec. 18-208. - Obligations of a qualifying business.

(a) Nothing in this article shall be construed to repeal any requirement of businesses within the city to maintain records or comply with an audit by the commissioner of the revenue.

(b) A qualifying business shall report its personal property and gross receipts to the commissioner of the revenue, at such times and in such manner as required by law and the failure to timely report shall result in the forfeiture of any entitlement to the license tax reduction provided by subsection (a) of section 18-206

(Ord. No. 3184, 6-28-11)