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AN INTRODUCTION TO HENRICO COUNTY TAXES

Virginia differs from most states in that its cities and counties are distinct and separate taxing entities without overlapping tax structures. Thus, any item taxed by one jurisdiction cannot be taxed by another. County revenues from local sources are derived primarily from taxes on real and personal property and business license taxes.

In Henrico County the Director of Finance is charged with the responsibility for carrying out the duties of a Commissioner of Revenue and Treasurer; therefore he is responsible for both tax assessment and collection. He also acts as an agent for the Commonwealth of Virginia in the collection of state income taxes. Tax rates are set by the County Board of Supervisors and are applied to the assessed value of both personal and real property to determine the amount of tax revenues due the County from these sources.

This booklet is intended to provide an initial tax reference for new businesses considering locating in Henrico County. It is not intended to be absolutely comprehensive. Anything so complex as taxes cannot be fully explained in the limited space of this booklet; therefore, names and telephone numbers are included for those seeking additional information.

Henrico County, with a very sound tax structure and a strong economic base, enjoys a Triple-A bond rating designation from three major national bond rating services. Such a favorable bond rating helps contribute to our relatively low tax rates.

Henrico County has a positive attitude toward new and existing businesses. We welcome your interest and are eager to provide any assistance to facilitate your review of our community. Our Economic Development Authority staff is available to work with you to coordinate this assistance. Our research resources are at your disposal, and we invite you to take full advantage of these services.

Anthony Romanello
Executive Director
Economic Development Authority

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I. REAL ESTATE TAX

Real estate in Henrico County is assessed at 100% of market value and taxed at \$.87 per \$100 of assessed value. There are five districts within the County that have additional rates which range from \$.003 to \$.031 per \$100.

The real estate tax on regular accounts is billed semi-annually. Bills are mailed in early May and early November and are due June 5 and December 5 respectively. New construction bills have an additional billing in January with a February 5 due date.

Real estate is assessed by the Real Estate Assessment Division. Property record cards, maps and assessment information are available from this division. Tax payment information is maintained by the Cashier's Section.

For further information on assessments and other Real Estate tax information, contact Henrico County's Department of Finance at (804) 501-4729.

II. BUSINESS LICENSE TAX

Virtually all businesses must purchase a business license before commencing operation in Henrico County (the County has no Merchants' Capital Tax). The specific tax rate varies depending on the nature of the business. In most instances, the tax rate is applied to gross receipts. Licenses expire December 31 of each year and must be renewed annually.

Examples of business license tax rates include the following:

a. Retail Merchants

Every person engaged in the business of a retail merchant, provided that the gross receipts of the business exceed \$300,000, shall pay a license tax equal to the greater of (1) \$30.00 or (2) 0.20 percent of the difference between the gross receipts of the business and \$300,000. If the gross receipts of the business are \$300,000 or less, an application shall be required to be filed, but no tax shall be due or paid.

b. Wholesale Merchants

If the gross purchases of a wholesale merchant are over \$300,000, a license tax is imposed based upon the variable rate schedule listed below relevant to the gross purchases exceeding \$300,000. If the gross purchases of the business are \$300,000 or less, an application shall be required to be filed, but no tax shall be due or paid.

\$25.00 minimum tax on purchases between \$1 and \$10,000;
\$0.20 per each \$100 purchase between \$10,001 and \$5,000,000;
\$0.15 per each \$100 purchase between \$5,000,001 and \$15,000,000;
\$0.10 per each \$100 purchase between \$15,000,001 and \$25,000,000;
\$0.05 per each \$100 purchase between \$25,000,001 and \$50,000,000;
\$0.025 per each \$100 purchase between \$50,000,001 and \$100,000,000; and
\$0.0125 per each \$100 purchase in excess of \$100,000,001.

A sample calculation is as follows:

TOTAL GROSS PURCHASES (Less \$300,000 Standard Deduction)		\$29,035,076
<i>(Multiply rates below X purchases to determine TAX DUE)</i>		
PURCHASES <i>(Breakdown)</i>		TAX
\$10,000.00	\$1 to \$10,000 purchases (\$25 min. tax)	\$25.00
\$4,989,999	\$10,001 to \$5,000,000 (\$.20 per \$100)	\$9,980.00
\$9,999,999	\$5,000,001 to \$15,000,000 (\$.15 per \$100)	\$15,000.00
\$9,999,999	\$15,000,001 to \$25,000,000 (\$.10 per \$100)	\$10,000.00
\$4,035,079	\$25,000,001 to \$50,000,000 (\$.05 per \$100)	\$2,018.00
_____	\$50,000,001 to \$100,000,000 (\$.025 per \$100)	_____
_____	\$100,000,001 and over (\$.0125 per \$100)	_____
<u>\$29,035,076</u>	TOTALS	<u>\$37,023.00</u>
Wholesale Tax Base <i>After Standard Deduction</i>		Tax Amount <i>Enter this total on License Application</i>

c. Business and Miscellaneous Services

Every person engaged in one or more of the following businesses and having a definite place of business in the county, provided that the gross receipts of the business exceed \$300,000, shall pay a license tax equal to the greater of (1) \$30.00 or (2) 0.20 percent of the difference between the gross receipts of the business and \$300,000. If the gross receipts of the business are \$300,000 or less, an application shall be required to be filed, but no tax shall be due or paid.

- Accountant (other than certified public accountant)
- Administration and management of health care plans
- Adult educational service
- Appraiser or evaluator of real estate for compensation
- Appraiser or evaluator of personal property or damages to property
- Arboriculturist or pruner of trees and shrubs
- Assayer
- Auctioneer
- Auditing company or firm
- Blueprinter
- Bookkeeper, public
- Botanist
- Business management
- Claims adjuster
- Collection agent or agency
- Commercial artist
- Common crier
- Computer consultant or programmer
- Conductor of seminars
- Consulting or consultant services
- Custom house broker or freight forwarder
- Draftsman
- Ecologist
- Erection or improvement of buildings, furnisher of plans for or specifications or persons employed in consulting capacity in connection with architect
- Interpreter
- Investment broker, consultant or advisor
- Lumber measurer
- Manufacturer's agent
- Marriage or business counselor
- Merchandise broker
- Paralegal or legal assistant
- Photostater
- Public relations counselor and furnisher of publicity
- Recorder of proceedings in any court, commission or organization
- Recorder of securities transactions
- Sales agent or agency
- Sign painter or service
- Social counselor
- Speech therapist
- Tax return preparer or tax consultant
- Taxidermist
- Technician, including dental or medical
- Telecommunications services, including but not limited to telephone and cellular services, provided by persons not subject to tax under Sec. 20-814 of this article
- Title, abstract or guaranty

d. Scientific Research and Development

Every person engaged in the business of furnishing scientific research and development services and having an office or place of business in the county, provided that the gross receipts of the business exceed \$300,000, shall pay a license tax equal to the greater of (1) \$30.00 or (2) 0.20 percent of the difference between the gross receipts of the business and \$300,000. If the gross receipts of the business are \$300,000 or less, an application shall be required to be filed, but no tax shall be due or paid.

e. Personal Services

Every person engaged in one or more of the following businesses, provided that the gross receipts of the business exceed \$300,000, shall pay a license tax equal to the greater of: (1) \$30.00 or (2) 0.20 percent of the difference between the gross receipts of the business and \$300,000. If the gross receipts of the business are \$300,000 or less, an application shall be required to be filed, but no tax shall be due or paid.

- Abattoir
- Airport
- Addressing letters or envelopes
- Advertising
- Advertising agents and agency
- Agent finding tenants for and renting single rooms
- Ambulance service
- Analytical laboratory
- Artist, literary, craft or other creative productions
- Artist's representative
- Awnings: erecting, installing, storing, or taking down
- Barbershop
- Baths: Turkish, Roman or other like bath or bath parlor
- Beauty parlor
- Billiard, pool or bagatelle parlor
- Blacksmith shop
- Blood or other body fluids: withdrawing, processing, storage
- Boat landing or boat basin
- Bodies, preparing for burial
- Boiler shop and machine shop
- Booking agent
- Bottle exchange
- Bounty hunter
- Bowling alley
- Burglar alarms: servicing
- Business research service
- Canvassers
- Caterer
- Cemetery
- Chartered club
- Check cashing/currency exchange services
- Chicken hatchery
- Cleaning: building exteriors, carpets or rugs, chimneys, clothes, diapers and infant's underwear, furnaces, hats, linens, coats and aprons, windows, towels, work clothes, houses
- Clerical help, labor or employment
- Coin operated machine services, excluding coin machine operators & pay telephones
- Computer info. online services
- Concert manager
- Correspondent establishment or bureau
- Credit bureau
- Data processing services
- Demineralization of water
- Detective services
- Detoxification of chemicals
- Dietician
- Domestic help, labor or employment
- Duplicating services
- Dyeing clothes, hats, carpets or rugs
- Electrologist
- Embalmer
- Employment agency and staffing firm
- Engineering laboratory
- Environmental cleanup and related services
- Escort or dating service
- Films, leasing to others for compensation
- Frozen food locker plant
- Fumigation or disinfection of rats, termites, vermin or insects of any kind
- Funerals, conducting
- Garbage, trash or refuse collection service
- Gardener
- Golf Course: miniature, driving range, public
- Hairdressing establishment
- Horses and mules: exhibiting trained and educated horses; boarding or keeping; renting
- Impoundment lot
- Interior decorator
- Janitorial service
- Kennel or small animal hospital
- Laundry
- Lawn maintenance
- Letter writing
- Locating of apartment rooms or other living quarters
- Lock repairing
- Locksmith
- Mailing services
- Manicurist
- Massage practitioner
- Masseur

- Messenger service, except telephone or telegraph messenger service
- Mimeographing
- Monogramming
- Motion picture theater
- Motor vehicles: cleaning, greasing, polishing, oiling, repairing, towing, washing, vulcanizing, electrical, and battery repair work
- Motor vehicles for hire and transportation of passengers, chauffeured
- Multigraphing
- Nursing assistant
- Nursing homes or personal care facilities
- Nursing personal care
- Nursing services, including nurses, nursing assistants and personal care providers
- Packaging services
- Packing, crating, shipping, hauling or moving goods or chattels for others
- Parking lot for storage/parking of motor vehicles
- Personnel agency
- Pet setters
- Photographer
- Photographic film processing and development
- Picture framing or gilding
- Plating or coating metals or other materials
- Polygraphic services
- Press clipping service
- Pressing clothes, hats, carpets or rugs
- Protective agents or agencies
- Public address system
- Public skating rink
- Publisher of county or city directory
- Real estate brokers
- Reducing salon or health club
- Registries: physicians' or nurses'
- Renting airplanes
- Renting any kind of tangible personal property
- Renting or furnishing automatic washing machines
- Repair, renovating or servicing the following: bicycles, radio and television apparatus, electric refrigerators, pianos, pipe organs or other musical instruments, fire extinguishers, road construction machinery, industrial or commercial machinery, business office machinery or appliances, household appliances, shoes, watches, jewelry, umbrellas, harnesses, leather goods or shoes, guns, window shades, dolls, cameras, toys, fountain pens, pencils, kodaks, lawn mowers, mattresses or pillows, mirrors, electric motors, scales, saws or tools, rewinding electric apparatus, furniture, clothing or hosiery, septic tanks or systems, hats, carpets, rugs, and repairing/ servicing/renovating any other article not mentioned
- Scalp treating establishments
- Seamstress or tailor
- Sewage collection and disposal
- Sponging clothes, hats, carpets, or rugs
- Spotting clothes, hats, carpets, or rugs
- Statistical or Actuarial service
- Stevedoring
- Survey taker
- Telephone answering or sanitizing service
- Telephone wiring or installation
- Tennis court
- Theater
- Ticket, transportation, travel and tour agents or brokers
- Title search
- Typesetting
- Undertaker
- Warehouse for storage of merchandise, tobacco, furniture, or other goods, wares or materials, warehouse for cold storage, warehouse for icing or pre-cooling goods, wares or merchandise
- Wheelwright shop
- Window dresser

f. Other Money Lenders

If the gross receipts of a money lender are over \$300,000, a license tax is imposed at a rate of \$.20 per \$100 of the gross receipts exceeding \$300,000, or \$30, whichever is greater. If the gross receipts of the business are \$300,000 or less, an application shall be required to be filed, but no tax shall be due or paid.

g. Professional Services

Every person engaged in one or more of the following businesses or professions provided that the gross receipts of the business or profession exceed \$300,000, shall pay a license tax equal to the greater of: (1) \$30.00 or (2) 0.20 percent of the difference between the gross receipts of the business and \$300,000. If the gross receipts of the business or profession are \$300,000 or less, an application shall be required to be filed, but no tax shall be due or paid:

- Architect
- Attorney at law
- Ceramic engineer
- Certified public accountant
- Chemical engineer chemist
- Chiroprapist
- Chiropractor
- Civil engineer

- Coal mining engineer
- Consulting engineer
- Contracting engineer
- Dentist
- Doctor of medicine
- Electrical engineer
- Heating and ventilating engineer
- Highway engineer
- Homeopath
- Industrial engineer
- Landscape architect
- Mechanical engineer
- Metallurgist
- Mining engineer
- Naturopath
- Optometrist
- Osteopath
- Patent attorney or agent
- Physician
- Physician's services provided by a nonprofessional corporation, physician services, chiropodist services, chiropractor services, dental services,
- doctor of medicine services, homeopath services, naturopath services, optometrist service, osteopath services, physiotherapist services, podiatrist services, psychologist services, radiologist services or surgeon services provided by a health maintenance organization
- Physiotherapist
- Podiatrist
- Professional engineer
- Psychiatrist
- Psychologist
- Radio engineer
- Radiologist
- Railway engineer
- Refrigerating engineer
- Sanitary engineer
- Steam Power engineer
- Structural engineer
- Surgeon
- Surveyor
- Veterinarian

h. Contractors, Electrical Contractors, Plumbers, and Steamfitters

(1) \$0.15 per \$100 of the gross receipts derived from all contracts accepted on a basis other than fee which exceed \$300,000, or \$30, whichever is greater; or if the gross receipts of the business are \$300,000, or less, an application shall be required to be filed, but no tax shall be due or paid.

(2) \$1.50 per \$100 of all fees derived from contracts accepted on a fee basis which exceed \$300,000, or \$30, whichever is greater; or if the gross receipts of the business are \$300,000, or less, an application shall be required to be filed, but no tax shall be due or paid.

i. Hotels and Motels

If the gross receipts of a hotel or motel exceed \$300,000, shall pay a license tax equal to the greater of: (1) \$30.00 or (2) 0.20 percent of the difference between the gross receipts of the business and \$300,000, except receipts from the cost of telephone service and use, and except rent from stores or other space operated independently on ground level with an outside entrance.

For information on Business License Taxes applicable to business operations not listed, contact Henrico County's Department of Finance at (804) 501-4729.

III. TANGIBLE PERSONAL PROPERTY TAXES

a. General Filing and Payment Requirements

i. Returns

Under Virginia State Law, all tangible personal property owned and located in the County of Henrico on January 1 of each year and motor vehicles and trailers that acquire situs within the County during the year are subject to tax. A personal property return must be filed each year on the appropriate form as listed below. A separate form should be filed for each business location.

Furniture, fixtures, tools, signs, and all equipment used in the conduct of business are reported on Form 740-A.

Machinery and tools used by qualified businesses are reported on Form 740 M&T.

Airplanes, boats and motors used in the business are reported on Form 740-B.

The filing date for Forms 740-A and 740 M&T is March 1. The filing date for the 740-B is March 15.

Motor vehicles and trailers are reported on Form 740. Henrico County prorates the Personal Property Tax on motor vehicles and trailers. The tax is prorated based on the number of months the vehicle is owned and kept in Henrico County. The filing due date for first-time filers is March 15, for motor vehicles and trailers located in the County on January 1 of the tax year or for those purchased or entering the County prior to February 16. For any taxpayer purchasing a motor vehicle or trailer or entering the County of Henrico on or after February 16 of the tax year, the filing date is within 45 days of the taxable date. The taxable date is the first day of the month if the vehicle or trailer is purchased or acquires situs on or before the 15th of the month. For vehicles purchased or acquiring situs on or after the 16th day of the month, the taxable date is the first day of the following month.

All reported amounts are subject to audit for the current year and the three years last past.

ii. Payments and Penalties

A late filing penalty of 10% of the tax due shall be incurred provided that the penalty does not exceed the amount of the tax due.

Payments may be made in two installments. Payment due dates are June 5 and December 5 of each year.

A late payment penalty of 10% of the tax due shall be incurred provided that the penalty does not exceed the amount of the tax due if not paid by the required payment due date.

Interest of 4% per annum of the amount due, accrued monthly, will be applied beginning the first day of the month following the payment due date.

b. Classification of Personal Property Tax and Tax Rates

i. Non-Manufacturers

Business Personal Property Tax is levied on all furniture, fixtures, tools, signs and all equipment used in the conduct of business. The base tax rate applicable to this class of property is currently \$3.50 per \$100 of assessed value (Formula for determining assessment is outlined in the table under #3(a).

ii. Manufacturers

The Machinery and Tools Tax is levied on machinery and tools used in the manufacturing, processing or reprocessing, mining, radio or television broadcasting, dairy, dry-cleaning, or laundry business. The Machinery and Tools Tax is currently \$0.30 per \$100 of assessed value.

Year of Purchase	Depreciation Rate	Effective Tax Rate (per \$100)
2018	80%	\$0.24
2017	77%	\$0.23
2016	69%	\$0.21
2015	61%	\$0.18
2014	53%	\$0.16
2013-2009	24%	\$0.07
2008-2007	18%	\$0.05
2006-2005	14%	\$0.04
2004 & Prior	11%	\$0.03

iii. Data Centers

The tax rate applied to data centers is \$0.40 per \$100 of the assessed value. This rate includes equipment that is necessary for a data center to function, including power supply equipment and cooling systems. The tax rate applied to data centers is subject to the aggressive depreciation, Schedule 89, found below:

Year of Purchase	Schedule 89 – Computer equipment and peripherals used in a data center
2018	50%
2017	30%
2016	20%
2015 & Prior	10%

iv. Aircraft

Aircraft are assessed on the basis of cost and date acquired. The base tax rate of aircraft is currently \$0.50 per \$100 of assessed value.

v. Vehicles

Business and personal vehicles are currently taxed at \$3.50 per \$100 of assessed value. Assessed value of all automobiles having gross weight of 14,000 pounds and less is based on the average loan value in the NADA Official Used Car Guide or the NADA Older Car Guide.

Assessed value of trucks with gross weight greater than 14,000 pounds is based upon the original cost and the depreciation schedule below. For qualified non-business vehicles assessed at more than \$1,000, tax relief will be given at a rate of 52% (up to a maximum of \$20,000 in assessed value) for 2018. The vehicle must not be used for more than 50% business purpose.

Year of Purchase	Depreciation Rate	Effective Tax Rate (per \$100)
2018	85%	\$2.98
2017	75%	\$2.63
2016	60%	\$2.10
2015	50%	\$1.75
2014	40%	\$1.40
2013	30%	\$1.05
2012 & Prior	20%	\$0.70

c. Determining Assessed Value

i. Business Personal Property

Assessed valuation is determined by original cost and date of purchase.

Formula for Assessment: To determine the assessment, multiply reported purchase cost by percentages shown below:

Year of Purchase	Schedule 80 (Tangible personal property)	Schedule 85 (Computer equipment)
2018	80%	72%
2017	73%	48%
2016	63%	30%
2015	54%	20%
2014	46%	12%
2013	39%	4%
2012	32%	4%
2011	26%	4%
2010	22%	4%
2009 & Prior	12%	4%

ii. Automobiles

The assessed value of trucks having gross weight of 14,000 pounds and less, all automobiles, and motorcycles is based on the average loan value in the N.A.D.A. Official Used Car Guide or the N.A.D.A. Older Car Guide.

The assessed value of trucks greater than 14,001 pounds in gross weight and campers is based upon original cost. To determine the assessment, multiply reported purchase cost by percentages shown below:

Year	Vehicle Depreciation Schedule (14,000+ lbs)
1 st Year	85% of original cost
2 nd Year	75%
3 rd Year	60%
4 th Year	50%
5 th Year	40%
6 th Year	30%
7 th + Year	20%

d. Information

For questions or information regarding business personal property, contact Henrico County's Department of Finance at (804) 501-4729.

IV. SHORT-TERM RENTAL TAX

Short-term rental tax is levied in lieu of Business Personal Property Tax on the short-term rental property of a certified short term rental business. The tax is a 1% trust tax collected from the consumer and remitted quarterly to the County.

V. SALES TAX

Retailers collect a 5.3% Retail Sales tax imposed on retail consumer sales. The State portion of this levy is 4.3% and the County portion is 1%.

No County tax, other than the Sales Tax noted above, is levied on the following:
Admissions and Cigarettes.

VI. TRANSIENT LODGING TAX

A local Transient Lodging Tax of 8% on room rental charges is collected by all motels and hotels in Henrico County.

For further information contact the Henrico County Finance Department at (804) 501-7329.

VII. FOOD AND BEVERAGE TAX

The food and beverage tax is a four percent (4%) tax levied on food and beverages sold by restaurants as the term is defined in the Code of Virginia. Food served from delicatessen counters at Convenience and Grocery Stores is also subject to the tax.

For further information contact Henrico County's Department of Finance at (804) 501-4729.

VIII. VEHICLE LICENSE TAX

Vehicle License Tax Rates

Vehicle Classification	Tax (Flat fee)
Passenger Vehicles (4000 pounds and under)	\$20.00
Passenger Vehicles (over 4000 pounds)	\$25.00
Trucks (by weight)	\$20.00 - \$64.00
Trailers (by weight)	\$6.50 - \$22.00
Motorcycles	\$15.00

For further information, contact the Vehicle Section at (804)501-4263.

IX. UTILITY TAXES

Monthly Commercial and Industrial Utility Tax Rates

Electric	
Residential	\$0.70 plus the rate of \$0.007537 per kilowatt hour delivered, not to exceed a maximum monthly tax of \$1.00
Master Metered Units w/ Residential Use	\$0.70 plus the rate of \$0.007537 per kilowatt hour delivered, not to exceed a maximum monthly tax of \$1.00 per dwelling unit
Commercial	\$1.15 plus the rate of \$0.00713 per kilowatt hour delivered, not to exceed a maximum monthly tax of \$10.00
Industrial	\$1.15 plus the rate of \$0.007603 per kilowatt hour delivered, not to exceed a maximum monthly tax of \$10.00

Natural Gas

There is no tax imposed by Henrico County on the use of gas in either Residential or Commercial areas.

Water and Sewer

No County taxes are imposed on water and sewer services.

Cellular Phones and Telephones

See Section E – Sales Tax

X. UTILITY RATES

The following rates are not taxes but are the rate costs of water and sewer service.

a. Water Rates

i. Service Charges - Effective July 1, 2018-June 30, 2019

The service charges listed below are paid *bimonthly*:

Size of Meter	Charge per Meter
Single Family Residential Customers	
5/8" OR 3/4"	\$14.90
Commercial & Industrial Customers	
5/8" OR 3/4"	\$14.90
1"	\$35.20
1 1/2"	\$64.75
2"	\$99.45
3"	\$163.95
4"	\$263.40
6"	\$509.10
8" or 10"	\$1,018.90

Volume Charges

(1) **Single Family Residential Customers:** The charge for each hundred cubic feet (CCF) of water used is \$3.42. If 6 CCF or less is used, the charge is \$2.13 for each CCF of water used.

(2) **Commercial and Industrial Customers:** The charge for the first 10,000 CCF of water used is \$3.42 per CCF. The charge is \$2.33 on the next 70,000 CCF and \$1.68 on all use over 80,000 CCF.

Connection Charges – Effective October 1, 2018 – September, 30 2019

This is a one-time only fee. In addition, the connector is responsible for the installation of local facilities including water main service connection, meter box, etc.

Classification	Water
Existing single-family dwellings served by an individual private well or by an individual septic system	\$2,315 – Basic \$2,625 – Local Facilities
Total	\$4,940
New single-family dwellings including semi-detached dwellings (service available)	\$4,635 – Basic \$2,625 – Local Facilities
Total	\$7,260
New single-family dwellings, developer installed connections	\$4,635
Multifamily dwellings-apartments, townhouses, condominiums, cluster homes, duplexes (must have cooking facilities)	\$4,270 (per dwelling unit)
Assisted Living Facility (per Code of VA 63.2-100) Facilities providing permanent housing for elderly or handicapped persons and operated by charitable, nonstock, nonprofit organizations, which are exempted by 501(c)(3) of the Internal Revenue Code.	\$1,810 (per bed)
Nursing Facility (as defined in Code of VA 32.1-123)	\$3,625 (per bed)
Hospital	\$5,430 (per bed)
Motel and hotel	\$2,350 (per room)

All other business, industrial & public buildings based on meter size as follows:

<i>Meter Size</i>	<i>Water</i>
5/8"	\$4,635
1"	\$16,570
1-1/2"	\$33,060
2"	\$65,615
3"	\$131,235
4"	\$205,050
6"	\$410,105
8"	\$656,160
10"	\$943,130

Special events: The connection fee for a permanent connection which will be used at special events for no more than 12 days per calendar year shall be 10% of the basic fee above.

Connection fee are established by Chapter 23 of the County ordinance. The County ordinance is available in the Public Utilities Information Office (804)-501-4517.

b. Sewer Rates

i. Service Charges - Effective July 1, 2017-June 30, 2018

The service charges listed below are paid *bimonthly*:

Size of Meter	Charge per Meter
Single Family Residential Customers	
5/8" OR 3/4"	\$30.05
Commercial & Industrial Customers	
5/8" OR 3/4"	\$30.05
1"	\$49.70
1 1/2"	\$72.85
2"	\$105.20
3"	\$178.00
4"	\$281.45
6"	\$560.35
8" or 10"	\$959.25

Volume Charges

(1) **Single Family Residential Customers:** The charge for each hundred cubic feet (CCF) of sewer used is \$3.63. If 6 CCF or less is used, the charge is \$2.22 for each CCF of sewer used.

(2) **Commercial and Industrial Customers:** The charge for the first 10,000 cubic feet (CCF) of sewer used is \$3.63. The charge is \$2.59 on the next 70,000 CCF and \$2.33 on all use over 80,000 CCF.

Connection Charges – Effective July 1, 2016 – June 30, 2017

Classification	Sewer
Existing single-family dwellings served by an individual private well or by an individual septic system	\$2,805 – Basic \$3,150 – Local Facilities
Total	\$5,955
New single-family dwellings including semi-detached dwellings (service available)	\$5,605 – Basic \$3,150 – Local Facilities
Total	\$8,755
New single-family dwellings, developer installed connections	\$5,605
Multifamily dwellings-apartments, townhouses, condominiums, cluster homes, duplexes (must have cooking facilities)	\$5,170 (per dwelling unit)

Assisted Living Facility (per Code of VA 63.2-100) Facilities providing permanent housing for elderly or handicapped persons and operated by charitable, nonstock, nonprofit organizations, which are exempted by 501(c)(3) of the Internal Revenue Code.	\$2,190 (per bed)
Nursing Facility (as defined in Code of VA 32.1-123)	\$4,380 (per bed)
Hospital	\$6,575 (per bed)
Motel and hotel	\$2,850 (per room)

All other business, industrial & public buildings based on meter size as follows:

Meter Size	Sewer
5/8"	\$5,605
1"	\$20,050
1-1/2"	\$40,015
2"	\$79,415
3"	\$158,830
4"	\$248,175
6"	\$496,340
8"	\$794,145
10"	\$1,141,585

Special events: The connection fee for a permanent connection which will be used at special events for no more than 12 days per calendar year shall be 10% of the basic fee above.

Connection fee are established by Chapter 23 of the County ordinance. The County ordinance is available in the Public Utilities Information Office (804) 501-4517.

Industrial Strong Waste Charges

Individual users, where appropriate, are charged a strong waste charge. There are two indicators of strength, BOD (biochemical demand) and SS (total suspended solids).

In Henrico County the BOD₅ threshold is 250 milligrams per liter (mg/L) and the SS threshold is 275 mg/L. Above these numbers, a customer is subject to receiving a surcharge on the water/sewer bill. The volume of wastewater discharged to the sanitary sewerage system is also an important factor in a strong waste bill. An increase in volume causes an increase in the surcharge. The formula for calculating a strong waste charge is:

$$\begin{aligned} &[(\text{Volume of wastewater}) \times ((\text{Measured BOD}_5 - \text{Measured SBOD}_5 - \text{BOD}_5 \text{ Threshold})) \times (\text{Rate})] \\ &\quad \text{and} \\ &[(\text{Volume of wastewater}) \times (\text{Measured SS} - \text{SS Threshold}) \times (\text{Rate})] = \$ \text{ amount of surcharge.} \end{aligned}$$

Volume is measured in CCF (hundred cubic feet). The strength (mg/L) of the indicators is determined by laboratory analysis of samples taken from a customer's wastewater discharge.

Strong waste monitoring samples are periodically obtained and reported during the year. For each customer sampled, the values for BOD₅ and SS are entered into their account and used to calculate strong waste surcharges on their next bills. These values remain active on the account until new values are reported. Most bills are generated every 60 days.

XI. STATE TAXES

a. Virginia Corporate Income Tax

Every corporation organized under the laws of Virginia, and every foreign corporation registered with the State Corporation Commission for the privilege of doing business in Virginia or receiving income from Virginia sources, must file a corporation income tax return except: public service corporations (other than railroads and telecommunications companies), banks subject to the Bank Franchise Tax, credit unions, insurance companies, and corporations not conducted for profit which are exempt from United States income tax, with the exception that these are taxable on their unrelated business taxable income. Electing small business corporations (S corporations) are required to file a return of income even though they are exempt from Virginia income tax.

The tax rate is **6 percent** of the corporation's Virginia taxable income. A corporation income tax return must be filed and the tax paid with the Virginia Department of Taxation on or before the 15th day of the fourth month following the close of the corporation's taxable year. A six-month extension may be obtained by filing an application and paying a tentative tax.

For further information, call the Virginia Department of Taxation at (804) 367-8037.

b. Annual Registration Fee

The Annual Registration Fee for a stock corporation is based on the number of authorized shares as shown in its charter. Effective January 1, 2010, the April 1 due date for corporate

registration fees and annual reports has been replaced by the anniversary month the corporation was incorporated or authorized to transact business in Virginia. The fee is assessed by the State Corporation Commission and is payable into the state treasury. The following rates apply:

i. Number of Authorized Shares Annual Registration Fee

5,000 or less: \$50.00

More than 5,000: \$50 plus \$15 for each 5,000
shares or fraction thereof in
excess of 5,000 up to a maximum of \$850.

Corporations organized without capital stock pay an annual registration fee of \$25 unless they incorporated before 1970. Certain non-stock corporations incorporated before 1970, which were not liable for the annual registration fee before that time, continue to be not liable for the fee.

For further information, contact the State Corporation Commission, Clerk's Office at (804) 371-9733.