

# NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

## Refund of Taxes and Fees (HB 1578 Final/ Chapter 652 of the Acts of the Assembly)

- **Concept**

All vendors, agencies, clerks, or other entities authorized to collect the previously authorized taxes and fees for Northern Virginia (under HB 3202) “shall cease collection of such fees and taxes immediately and shall remit or refund any such fees or taxes collected”.

- **Process<sup>1</sup>**

- Grantor’s Tax.

- ✓ Clerks of circuit courts to develop guidelines for handling overpayments within 60 days (May 23). *Circuit courts have coordinated an agreed procedure.*
- ✓ No later than May 1, NVTa remits amounts collected to applicable circuit court clerks. *NVTa anticipates that funds will be remitted to circuit courts by April 10.*
- ✓ Clerks refund taxes to settlement agents within 60 days (May 23).
- ✓ Settlement agents have up to 90 days (August 22) from receipt of taxes from the clerk of the circuit court to complete the return of taxes to persons entitled to receive it.
- ✓ Claimants with questions should consult with their settlement agents.

- Regional Registration Fee and Initial Vehicle Registration Fee.

- ✓ Vendors remit fees collected to DMV within 30 business days (May 6).
- ✓ DMV to develop procedures no later than April 1 and make available to public ([www.dmvNOW.com](http://www.dmvNOW.com)). *Procedures posted April 1.*
- ✓ DMV remits fees to payees. Anticipate that this will begin in early April.

- Motor Vehicle Rental Tax.

- ✓ Vendors remit fees collected to DMV within 30 business days (May 6).
- ✓ Payments received by DMV become “unclaimed property”.
- ✓ DMV remits “unclaimed property” to State Treasurer within 40 business days (May 20).
- ✓ State Treasurer establishes procedures for claiming property ([www.trsvirginia.gov](http://www.trsvirginia.gov)).
- ✓ Subject to audit and certification by the vendor, the vendor shall be entitled to retain any fees or taxes collected that were paid by the vendor on behalf of the person or entity who is not the vendor.

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<sup>1</sup> Unless stated otherwise, all dates reflected are from the enactment of legislation (March 25, 2008).

- Transient Occupancy Tax.
  - ✓ Vendors remit any taxes collected to appropriate local governing body or NVTA within 30 business days (May 6).
  - ✓ Payments received by NVTA become “unclaimed property”.
  - ✓ Local governing bodies and NVTA remit funds collected to State Treasurer within 40 business days (May 20). *NVTA anticipates remitting funds to State Treasurer by mid-April.*
  - ✓ State Treasurer establishes procedures for claiming property ([www.trsvirginia.gov](http://www.trsvirginia.gov)).
  
- Safety Inspection Fee.
  - ✓ Vendors remit fees collected to NVTA within 30 business days (May 6).
  - ✓ Payments received by NVTA immediately become “unclaimed property”.
  - ✓ NVTA remits fees to State Treasurer within 40 days (May 20). *NVTA anticipates remitting funds to State Treasurer by mid-April.*
  - ✓ State Treasurer establishes procedures for claiming property ([www.trsvirginia.gov](http://www.trsvirginia.gov)).
  
- Sales and Use Tax on Auto Repairs.
  - ✓ Vendors remit taxes collected to the Department of Taxation within 30 business days (May 6).
  - ✓ Department of Taxation treats funds as “unclaimed property”.
  - ✓ Department of Taxation remits “unclaimed property” to State Treasurer within 40 business days (May 20).
  - ✓ State Treasurer establishes procedures for claiming property ([www.trsvirginia.gov](http://www.trsvirginia.gov)).
  
- **DMV, circuit court and settlement fees not refunded**

If Clerks of circuit courts, settlement agents, or DMV are not able to refund any portion of the taxes/fees they received by September 30, 2008, the unreturned taxes/fees shall be deemed “unclaimed property” and remitted to the State Treasurer on/before November 1, 2008.