



COMMISSIONER OF THE REVENUE
116 W. BEVERLEY STREET
P.O. BOX 4
STAUNTON, VA 24402
PHONE: (540) 332-3829
FAX: (540) 851-4022
EMAIL:
REVENUE@CI.STAUNTON.VA.US

Dear Business Owner,

Congratulations on your new business venture and thank you for choosing Staunton as the locality in which to operate. We know you have many hats to wear and much to juggle as a business owner/independent contractor, so we want to make sure you are aware of Staunton's business tax requirements as well as some very important dates related to the operation of your business here in the City of Staunton, which you will find highlighted below.

The city has a business license requirement which applies to all business owners and independent contractors located in the city and business licenses must be obtained within 30 days of beginning operations to remain in compliance with local ordinance. The business license tax is based on your business classification and gross receipts or estimation thereof. A minimum license in all categories is \$30.00. All businesses and independent contractors located in the City of Staunton are subject to business personal property tax and must report furniture, fixtures, equipment and tools to the Commissioner of the Revenue each year.

If you have questions regarding your tax liability, please reach out to our office.

- **Business licenses are to be renewed every year by March 1st.** If you had an active license on 12/31, a renewal form will be sent to you in mid-January allowing plenty of time to renew by March 1st. Please remember to update your contact information with us, should anything change. If your business ceases to operate in the city, as the license holder, you *must* notify the Commissioner of the Revenue with a signed attestation noting the month, day and the year operations ceased in the city. If you are an independent contractor and you become a W2 wage earner or move out of the area, you must also notify us in writing, so that we may close your license here. And finally, should you not respond to license renewal notices, further action up to and including a failure to comply with tax laws and ordinances complaint may be filed with the Staunton General District Court.
- **Business Tangible Property returns are due to the Commissioner of the Revenue Office no later than May 1st of the current tax year.** If you are a newly licensed business, you will receive an initial return of tangible property; established local

businesses will receive a pre-printed form to complete and return. Returns, along with instructions, are generally mailed in March allowing plenty of time to complete and return by the May 1st deadline. If you applied for a business license after January 1st of the tax year, your initial return will be sent the following March. Failure to respond will result in a statutory assessment.

- **Business Tangible Property Tax is due to be paid on or before December 5th of the tax year.** Invoices are sent by the Treasurer's Office in late October, early November. All payments are to be made to the Treasurer's Office. Questions regarding billing and payments are to be directed to the Treasurer's Office at (540) 332-3833. Questions regarding business property assessments are to be directed to the Commissioner of the Revenue Office.
- **Delinquent Business Tangible Property Tax or Personal Property Tax** will prevent you from renewing your business license. Staunton City Code states that all delinquent property taxes must be paid prior to a current year business license being issued. If you have questions regarding your business/personal property tax account, please reach out to the Treasurer's Office at (540) 332-3833.

BUSINESS LICENSE CLASSIFICATIONS & RATES

BUSINESS SERVICE Minimum of \$30 license required.
\$0.36 per \$100 of gross receipts
CONTRACTOR Minimum of \$30 license required.
\$0.16 per \$100 of gross receipts
RETAIL Minimum of \$30 license required.
\$0.20 per \$100 of gross receipts
PROFESSIONAL Minimum of \$30 license required.
\$0.40 per \$100 of gross receipts
DIRECT SELLER No fee under \$4,000.
\$0.20 per \$100 of gross receipts
WHOLESALE MERCHANT (GROSS PURCHASES):
\$0-10,000 = \$100
\$10,001-50,000 = \$100 + \$0.50/\$100 over \$10,001
\$50,001 & up = \$300 + \$0.12/\$100 over \$50,001

GENERAL TAX INFORMATION

SALES AND USE TAX

Every individual, partnership, corporation, etc., engaging in retail business in Virginia is required to register with the Virginia Department of Taxation.

FEDERAL INCOME TAX

All businesses must file an annual income tax return. The federal income tax is a pay-as-you-go tax. The most common form for filing business income is the Federal Schedule C, Profit or Loss from Business. (Refer to IRS Publication 583 for more information.)

SELF-EMPLOYMENT TAX

Self-employment tax is a social security and Medicare tax primarily for individuals who work for themselves.

EMPLOYMENT TAXES

As the employer, you are responsible for certain employment taxes. These taxes include, Social Security and Medicare taxes, Federal income tax withholding, and Federal unemployment tax.

STATE INCOME TAX

The state income tax is based on the federal income tax return.

CONTACT INFORMATION

Dept. of Professional and Occupational Regulation
9960 Mayland Drive, Richmond, VA 23233
(804) 367-8500 • www.dpor.virginia.gov

Dept. of Economic Development
116 W. Beverley Street, Staunton, VA 24401
(540) 332-3869 • www.ci.staunton.va.us

Health Dept.

1414 N. Augusta Street, Staunton, VA 24401
(540) 332-7830 • www.vdh.virginia.gov

IRS

(800) 829-1040 • www.irs.gov

Planning and Zoning Division

116 W. Beverley Street, Staunton, VA 24401
(540) 332-3862 • www.ci.staunton.va.us

Staunton Creative Community Fund

10 Byers Street, Staunton, VA 24401
(540) 213-0333 • www.stauntonfund.org

*SCCF is NOT affiliated with City of Staunton.

Staunton Downtown Development Association

110 W. Johnson Street, Staunton, VA 24401
(540) 332-3867 • www.stauntondowntownn.org

State Corporation Commission

1300 E. Main Street, Richmond, VA 23218
(804) 371-9967 • www.scc.virginia.gov

Virginia ABC

38 Professional Way, Verona, Virginia 24482
(540) 332-7800 • www.abc.virginia.gov

Virginia Department of Taxation

1957 Westmoreland Street, Richmond, VA 23218
(804) 367-8037 • www.tax.virginia.gov

Virginia Employment Commission

1076 Jefferson Highway, Staunton, VA 24401
(540) 332-7750 • www.vec.virginia.gov

Virginia Workers' Compensation Commission

333 E. Franklin Street, Richmond, Virginia 23219
(877) 664-2566 • www.vwc.state.va.us



**BUSINESS
LICENSE
INFORMATION
FOR THE
CITY OF
STAUNTON**

COMMISSIONER OF THE REVENUE

Maggie Ragon
116 W. Beverley Street
P.O. Box 4
Staunton, VA 24402
(540) 332-3829
revenue@ci.staunton.va.us
www.staunton.va.us/cor

QUESTIONS, CONCERNS?

**PLEASE CONTACT OUR OFFICE FOR
MORE INFORMATION!**

GENERAL BUSINESS LICENSE INFORMATION

WHAT IS A BUSINESS LICENSE?

A business license is an annual tax paid each calendar year for the privilege of doing business within the City of Staunton. A license must be obtained within 30 days of the beginning of operation.

A business license is evidence that you have paid tax to our locality. Other permits, registrations, or licenses may be required.

WHO IS REQUIRED TO OBTAIN A BUSINESS LICENSE WITH THE CITY OF STAUNTON?

1. Any person maintaining a definite place of business in the City of Staunton.
2. Any person that does not maintain a definite place of business in another locality, but resides in the City of Staunton.
3. Any person/business engaging in business in the City of Staunton as a peddler or itinerant merchant.
4. Any person engaging in business in the City of Staunton as a state licensed contractor.

HOW LONG IS A BUSINESS LICENSE VALID?

A business license is based on calendar year and expires as of December 31.

HOW MUCH DOES A BUSINESS LICENSE COST?

Most license taxes are based on gross receipts and the rate varies with the type of business you intend to engage in. The City of Staunton requires a minimum license of \$30.

HOW DO I RENEW THE BUSINESS LICENSE?

If you have a current license with the City of Staunton, you will receive a renewal notice from our office. The business license must be renewed by March 1st of the tax year.

I ONLY DO THIS BUSINESS PART-TIME. DO I NEED A BUSINESS LICENSE?

Yes. Even if you conduct business on a part-time basis, or hobby related basis, you are required to obtain a license.

HOW DO I CLOSE MY BUSINESS LICENSE?

In order to close your business license, you must notify our office in writing that you have ceased to operate your business and provide a closing date and a signature.

ARE THERE ANY RESTRICTIONS ON WHERE I CAN OPERATE MY BUSINESS?

You will need to verify with the City of Staunton Planning and Zoning Division that the location you have chosen for your business is zoned for the activity you wish to conduct.

WHAT IF I OPERATE MY BUSINESS FROM MY HOME?

You may be required to obtain a Home Occupation Permit to operate your business from a home address. The permit is issued through the City of Staunton Planning and Zoning Division.

HOW DO I OBTAIN A FEDERAL EMPLOYEE IDENTIFICATION NUMBER?

A FEIN is a unique nine-digit number assigned by the Internal Revenue Service to a business for the purpose of identification and tax administration. A sole proprietor is not required to obtain a FEIN to operate a business.

DO I NEED A DBA OR FICTITIOUS NAME?

Sole Proprietor or Partnership: If your business name does not contain your surname, you will need to register the name as a fictitious name with the State Corporation Commission.
Corporation (LLC, Inc., S-Corp): To incorporate your business in Virginia, you must register with the State Corporation Commission.

I AM PAID ON A 1099 WITH MY EMPLOYER. DO I NEED A BUSINESS LICENSE?

Yes. As a 1099 employee, you are considered an independent contractor and are responsible for paying your own taxes on a federal, state, and local level.

LOCAL TAX INFORMATION

Note: Not all taxes may apply to your business.

MEALS TAX

Every restaurant, caterer, coffee shop, convenience store, grocery deli, etc. located in the City of Staunton engaged in the business of selling meals and/or beverages is required to remit the monthly meals tax collected to the Commissioner of the Revenue's office by the 20th of each following month.

OCCUPANCY TAX

Every hotel, motel, bed & breakfast, or other lodging place located in the City of Staunton that, for compensation, furnishes lodging to four or more transients is required to remit the monthly occupancy tax collected to the Commissioner of the Revenue's office by the 20th of each following month.

BUSINESS TANGIBLE PERSONAL PROPERTY TAX

Every business located in the City of Staunton is required to file a return listing all business equipment, furniture, fixtures, tools, etc. by May 1st of each tax year.



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Business License Application Instructions

Applicant Information:

Trade name: A trade name is a fictitious name used in lieu of a person's legal name in the course of business. Trade name is also known as DBA-"doing business as". If a fictitious name is being used, you must register the name with the Virginia State Corporation Commission. The fictitious name registration received from the SCC must be included with the business license application. <https://scc.virginia.gov/pages/New-Business-Resources> (Forms & Fees/View All Forms/Fictitious Name Forms)

Corporate name: All businesses that wish to be or have incorporated (Limited Liability Corporation, Incorporated, Limited Partnerships) with the Virginia State Corporation Commission must include evidence of such incorporation with the business license application. <https://scc.virginia.gov/pages/New-Business-Resources>

Business location: Zoning approval is required for any business operating in the City of Staunton. Existing businesses with a change in location may require additional approval from the City of Staunton's Planning and Zoning Department. Home based businesses are required to apply for a home occupancy permit prior to applying for a business license. The home occupancy permit must be included with the business license application. <https://www.ci.staunton.va.us/departments/planning-zoning-division>

Food service operations: Any food service establishment operating in the City of Staunton is required to obtain a health permit prior to applying for a business license. The health permit must be included with the business license application. <https://www.vdh.virginia.gov/central-shenandoah/environmental-health/food-services/>

Alcoholic beverage control: Any business wishing to sell alcoholic beverages must apply for an ABC license. Businesses must notify the Commissioner of the Revenue when an ABC license is obtained. Once approved, a separate ABC license tax will be added to your existing license. <https://www.abc.virginia.gov/licenses/get-a-license>

Business Type and Business Information

Business Type: All businesses that have incorporated (LLC, INC, S-Corp, Partnerships, etc.) in the Commonwealth of Virginia must register their business with State Corporation Commission. The certificate of good standing or registration certificate must be included with your business license application. Sole proprietors are not required to register with the SCC.

Business Information: SSN/Federal ID numbers (FEIN): The FEIN is the equivalent of a business social security number used by taxing authorities to identify your business. If you do

not have an FEIN number and your business does not require one, you must provide your social security number on the business license application. [How to Apply for an EIN | Internal Revenue Service \(irs.gov\)](#)

Sales tax number: Any business who sells, leases, distributes or rents tangible personal property to customers in Virginia or otherwise meets the definition of “dealer” must register to collect and pay sales tax in Virginia. Sales tax numbers must be included on your business license application. [Retail Sales and Use Tax | Virginia Tax](#)

Department of Professional and Occupational Regulations

Contractors: If you are a contractor earning over \$1000.00 per job, you must register with DPOR and obtain a contractor’s license. A current contractor’s license is required prior to applying for a business license. Out of town contractors are required to obtain a current business license when gross receipt amounts, from activity within the city limits, exceeds \$25,000.00 in a calendar year. [DPOR : Virginia Department of Professional and Occupational Regulation](#)

Other applicants: Realtors, brokers, nail techs, nail salons, hair stylists, hair salons, barbers, barbershops, estheticians, tattoo artists and other occupations regulated by the Virginia Department of Professional and Occupational Regulation must have an active license and include the DPOR license number on the business license application. Massage therapists, nurses, doctors and certain other professionals must register with the appropriate state board prior to applying for a business license and present appropriate licensure at the time of application. [DPOR : Virginia Department of Professional and Occupational Regulation](#)

Description of the Business and License Classification

License classification: If you are unsure of the classification of your business, please call the Commissioner of the Revenue to determine both the business classification and rate. (Classifications and rate schedules are located on the reverse side of the business license application).

Estimate of Gross Receipts:

All new businesses applying for a business license with the City of Staunton must provide an estimate of gross receipts from the start of the business to the end of the calendar year on the initial business license application **AND** the 1st business license renewal. The business license is a gross receipts tax and the associated fee is based on the classification rate multiplied by the business’ gross receipts. (Gross receipts is defined as all income earned by the business or entity prior to any expenses).

Please mail, fax, or email to:
 P.O. Box 4
 Staunton, VA 24402
 (540) 851-4022
 revenue@ci.staunton.va.us

BUSINESS LICENSE APPLICATION

City of Staunton, VA

Maggie Ragon

Commissioner of the Revenue

QUESTIONS OR CONCERNS?

Please contact the
 Commissioner of the
 Revenue's office at
 (540) 332-3829

PLEASE COMPLETE THE APPLICATION AS IT APPLIES TO YOUR BUSINESS. SEE THE BACK OF THE APPLICATION FOR ADDITIONAL INFORMATION.

APPLICANT INFORMATION		Date:
Trade Name:		
Corporate Name:		
Owner Name:	Contact Name:	
Mailing Address:		
City:	State:	Zip:
Business Location:		
Local Telephone:	Corporate Telephone:	
Fax:	Email:	

BUSINESS TYPE (check only one)	
<input type="checkbox"/> Sole Proprietor	<input type="checkbox"/> LLC
<input type="checkbox"/> Partnership	<input type="checkbox"/> Incorporated
	<input type="checkbox"/> S - Corp

BUSINESS INFORMATION
SSN/FEIN:
Sales Tax Number:

CONTRACTORS LICENSED THROUGH THE DEPARTMENT OF PROFESSIONAL AND OCCUPATIONAL REGULATIONS	
VA State Contractor Number:	Expiration Date:
Attention Out-of-Town Contractors: A license with the City of Staunton is only required if the gross receipt amount exceeds \$25,000 in a calendar year within the city limits. Call for additional information.	

OTHER APPLICANTS LICENSED THROUGH THE DEPARTMENT OF PROFESSIONAL AND OCCUPATIONAL REGULATIONS	
DPOR License Number:	Expiration Date:

DESCRIPTION OF BUSINESS:	

License Classification:	See the back for Business License Classifications and Rates.
Note: To calculate the tax due, multiply the estimate of gross receipts by the tax rate according to the classification.	
Estimate of Gross Receipts from start of business to the end of this calendar year: \$	
Total Business License Tax Due: \$	

I, hereby, declare that the information submitted on this application is true, full, and correct to the best of my knowledge and belief.

 Signature Date

FOR OFFICE USE ONLY		Date: _____	Account Number: _____
Amt. Rec.: \$ _____	<input type="checkbox"/> Cash <input type="checkbox"/> Check # _____	<input type="checkbox"/> Paid at Treasurer	<input type="checkbox"/> License Printed
Additional Information _____			

BUSINESS LICENSE CLASSIFICATIONS AND RATES

City of Staunton, VA

BUSINESS CLASSIFICATION	GROSS RECEIPTS	RATE
Contractor	\$0-18,750	Minimum \$30.00
(Must hold a valid VA Contractor's License)	Over \$18,750	\$0.16 per \$100.00 of gross receipts (.0016)
Retail	\$0-15,000	Minimum \$30.00
	Over \$15,000	\$0.20 per \$100.00 of gross receipts (.0020)
Professional	\$0-7,500	Minimum \$30.00
(State licensed, i.e. – Real Estate Agent, Doctor)	Over \$7,500	\$0.40 per \$100.00 of gross receipts (.0040)
Business Service	\$0-8,333	Minimum \$30.00
	Over \$8,333	\$0.36 per \$100.00 of gross receipts (.0036)
Direct Seller	Under \$4,000	No Fee License
	Over \$4,000	\$0.20 per \$100.00 of gross receipts (.0020)
Wholesale Merchant	\$0-10,000	\$100.00
	\$10,001-50,000	\$100 + \$0.50 per \$100.00 over \$10,001.00
	\$50,001 and up	\$300 + \$0.12 per \$100.00 over \$50,001.00

ABC	(prorated monthly)
Beer & Wine Off Premises	\$150.00
Beer & Wine On & Off Premises	\$150.00
Mixed Beverage, Seating Capacity of 0-100	\$200.00
Mixed Beverage, Seating Capacity of 101-150	\$350.00
Mixed Beverage, Seating Capacity of 151 & more	\$500.00
Brewery	\$250.00
Gourmet Brewing Shop	\$150.00
Bed & Breakfast Establishment	\$40.00
Mixed Beverage Limited Caterer's	\$100.00
Mixed Beverage Performing Arts	\$300.00
Winery Farm	\$50.00

NOTE: Not all alcoholic beverage charges are listed on this application. Please contact the office for additional information concerning specific charges.

HOME OCCUPATION PERMIT: You may be required to obtain a Home Occupation Permit if operating a business in your home. The permit is issued through the Planning and Zoning Department. For more information, contact the *Planning and Zoning Department* at (540) 332-3862, or online at www.ci.staunton.va.us. The permit must be approved before a business license can be issued.

REGISTER A FICTITIOUS NAME: You must register your fictitious name as a sole proprietor or partnership. You will need to register the name with the *State Corporation Commission* at (804) 371-9967, or online at www.scc.virginia.gov. A copy of the registration must be provided to our office before a business license can be issued.

REGISTER A CORPORATION: All corporations conducting business in the state of Virginia must be registered with the State Corporation Commission. For more information, contact the *State Corporation Commission* at (804) 371-9967, or online at www.scc.virginia.gov. A copy of the registration must be provided to our office before a business license can be issued.

DEPARTMENT OF PROFESSIONAL AND OCCUPATIONAL REGULATION: Any individual required to obtain professional credentials, must be licensed with DPOR. For more information, contact the *Department of Professional and Occupational Regulation* at (804) 367-8500, or online at www.dpor.virginia.gov. A copy of the current license must be provided to our office before a business license can be issued.

FEDERAL EMPLOYEE IDENTIFICATION NUMBER: A FEIN is a unique nine-digit number assigned by the Internal Revenue Service to a business for the purpose of identification and tax administration. For more information, contact the *IRS* at (800) 829-1040, or online at www.irs.gov.

No business license will be issued until all delinquent business license and personal property taxes owed by the applicant to the City of Staunton have been paid (VA Code 58.1-3700).

CITY OF STAUNTON TRENDING SCHEDULE FOR BUSINESS PERSONAL PROPERTY



3 Year Property:

Year 1 – 90 %
Year 2 – 55 %
Year 3+ - 20 %

5 Year Property

Year 1 – 95 %
Year 2 – 80 %
Year 3 – 60 %
Year 4 – 40 %
Year 5 – 20 %

7 Year Property

Year 1 – 95 %
Year 2 – 85 %
Year 3 – 70 %
Year 4 – 55 %
Year 5 – 40 %
Year 6 – 25 %
Year 7 – 15 %

10 Year Property

Year 1 – 95%
Year 2 – 85%
Year 3 – 80%
Year 4 – 70%
Year 5 – 60%
Year 6 – 50%
Year 7 – 40%
Year 8 – 30%
Year 9 – 20%
Year 10 – 10%

15 Year Property

Year 1 – 95%
Year 2 – 88%
Year 3 – 83%
Year 4 – 76%
Year 5 – 70%
Year 6 – 64%
Year 7 – 58%
Year 8 – 52%
Year 9 – 46%
Year 10 – 40%
Year 11 – 34%
Year 12 – 28%
Year 13 – 22%
Year 14 – 16%
Year 15 – 10%

