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**HOUSE BILL NO. 1024**

Offered January 9, 2008

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*A BILL to amend and reenact §§ 46.2-221.2, 46.2-221.4, 46.2-752, 58.1-341, and 58.1-3916 of the Code of Virginia, relating to extension of deadlines for certain military personnel.*

Patrons—Frederick, Cole, Janis, Lingamfelter and Marshall, R.G.

Referred to Committee on Transportation

**Be it enacted by the General Assembly of Virginia:**

**1. That §§ 46.2-221.2, 46.2-221.4, 46.2-752, 58.1-341, and 58.1-3916 of the Code of Virginia are amended and reenacted as follows:**

§ 46.2-221.2. Extension of expiration of driver's licenses issued to certain persons in service to the United States government.

Notwithstanding any contrary provision of law, any driver's license that is issued by the Department under Chapter 3 (§ 46.2-300 et seq.) of this title to (i) a person serving outside the Commonwealth in the armed services of the United States, (ii) a person serving outside the Commonwealth as a member of the diplomatic service of the United States appointed under the Foreign Service Act of 1946, (iii) a civilian employee of the United States government or any agency or contractor thereof serving outside the United States on behalf of the United States government, or (iv) a spouse or dependent accompanying any such member of the armed services or diplomatic service serving outside the Commonwealth or civilian employee of the United States government or any agency or contractor thereof serving outside the United States on behalf of the United State government shall be held not to have expired during the period of the licensee's service outside the Commonwealth in the armed services of the United States or as a member of the diplomatic service of the United States appointed under the Foreign Service Act of 1946 or as a civilian employee of the United States government or any agency or contractor thereof serving outside the United States on behalf of the United States government and 60 90 days thereafter. However, no extension granted under this section shall exceed three years from the date of expiration shown on the individual's driver's license. The Department shall furnish any person whose driver's license is extended under this section documentary or other proof, when operating any motor vehicle, that he is entitled to the benefits of this section.

For the purposes of this section "service in the armed services of the United States" includes active duty service with the regular Armed Forces of the United States or the National Guard or other reserve component.

§ 46.2-221.4. Grace period for replacement of license plates or decals and registrations for certain active duty military personnel stationed outside the United States.

Owners or lessees of vehicles registered in the Commonwealth who have served outside of the United States in the armed services of the United States shall have a 60 90-day grace period, beginning on the date they are no longer serving outside the United States, in which to comply with the vehicle registration requirements of this title.

To be eligible for the grace period, the vehicle shall:

1. Be owned or leased by a person or persons qualifying under this section;
2. Have had valid registration issued by the Department at the time the owner began service in the armed forces outside of the United States;
3. Comply with the financial responsibility requirements of this title;
4. Display the latest license plates and decals issued by the Department for the vehicle; and
5. Be operated only by persons qualifying under this section while possessing:
  - a. Orders or other military documentation demonstrating that they are entitled to the benefits of this section; and
  - b. The latest registration card issued by the Department for the vehicle.

Nothing in this section shall be construed to prohibit any person or persons who own or lease vehicles registered in the Commonwealth and are currently serving outside of the United States in the armed services of the United States from complying, when possible and as necessary, with the vehicle registration requirements of this title during the period of service outside the United States or while on leave in Virginia.

For the purposes of this section "the armed services of the United States" includes active duty service with the regular Armed Forces of the United States or the National Guard or other reserve component.

The provisions of this section shall not apply to special license plates issued to members of the

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59 National Guard under § 46.2-744.

60 § 46.2-752. Taxes and license fees imposed by counties, cities, and towns; limitations on amounts;  
61 disposition of revenues; requiring evidence of payment of personal property taxes and certain fines;  
62 prohibiting display of licenses after expiration; failure to display valid local license required by other  
63 localities; penalty.

64 A. Except as provided in § 46.2-755, counties, cities, and towns may levy and assess taxes and  
65 charge license fees on motor vehicles, trailers, and semitrailers. However, none of these taxes and  
66 license fees shall be assessed or charged by any county on vehicles owned by residents of any town  
67 located in the county when such town constitutes a separate school district if the vehicles are already  
68 subject to town license fees and taxes, nor shall a town charge a license fee to any new resident of the  
69 town, previously a resident of a county within which all or part of the town is situated, who has  
70 previously paid a license fee for the same tax year to such county. The amount of the license fee or tax  
71 imposed by any county, city, or town on any motor vehicle, trailer, or semitrailer shall not be greater  
72 than the annual or one-year fee imposed by the Commonwealth on the motor vehicle, trailer, or  
73 semitrailer. The license fees and taxes shall be imposed in such manner, on such basis, for such periods,  
74 and subject to proration for fractional periods of years, as the proper local authorities may determine.

75 *Owners or lessees of motor vehicles, trailers, and semitrailers who have served outside of the United*  
76 *States in the armed services of the United States shall have a 90-day grace period, beginning on the*  
77 *date they are no longer serving outside the United States, in which to comply with the requirements of*  
78 *this section. For purposes of this section, "the armed services of the United States" includes active duty*  
79 *service with the regular Armed Forces of the United States or the National Guard or other reserve*  
80 *component.*

81 Local licenses may be issued free of charge for any or all of the following:

82 1. Vehicles powered by clean special fuels as defined in § 46.2-749.3, including dual-fuel and bi-fuel  
83 vehicles,

84 2. Vehicles owned by volunteer rescue squads,

85 3. Vehicles owned by volunteer fire departments,

86 4. Vehicles owned or leased by active members or active auxiliary members of volunteer rescue  
87 squads,

88 5. Vehicles owned or leased by active members or active auxiliary members of volunteer fire  
89 departments,

90 6. Vehicles owned or leased by auxiliary police officers,

91 7. Vehicles owned or leased by volunteer police chaplains,

92 8. Vehicles owned by surviving spouses of persons qualified to receive special license plates under  
93 § 46.2-739,

94 9. Vehicles owned or leased by auxiliary deputy sheriffs or volunteer deputy sheriffs,

95 10. Vehicles owned by persons qualified to receive special license plates under § 46.2-739,

96 11. Vehicles owned by any of the following who served at least 10 years in the locality: former  
97 members of volunteer rescue squads, former members of volunteer fire departments, former auxiliary  
98 police officers, former volunteer police chaplains, and former volunteer special police officers appointed  
99 under § 15.2-1737. In the case of active members of volunteer rescue squads and volunteer fire  
100 departments, applications for such licenses shall be accompanied by written evidence, in a form  
101 acceptable to the locality, of their active membership, and no member shall be issued more than one  
102 such license free of charge,

103 12. All vehicles having a situs for the imposition of licensing fees under this section in the locality,

104 13. Vehicles owned or leased by deputy sheriffs; however, no deputy sheriff shall be issued more  
105 than one such license free of charge,

106 14. Vehicles owned or leased by police officers; however, no police officer shall be issued more than  
107 one such license free of charge,

108 15. Vehicles owned or leased by officers of the State Police; however, no officer of the State Police  
109 shall be issued more than one such license free of charge,

110 16. Vehicles owned or leased by salaried firefighters; however, no salaried firefighter shall be issued  
111 more than one such license free of charge, or

112 17. Vehicles owned or leased by salaried emergency medical technicians; however no salaried  
113 emergency medical technician shall be issued more than one such license free of charge.

114 The governing body of any county, city, or town issuing licenses under this section may by  
115 ordinance provide for a 50 percent reduction in the fee charged for the issuance of any such license  
116 issued for any vehicle owned or leased by any person who is 65 years old or older. No such discount,  
117 however, shall be available for more than one vehicle owned or leased by the same person.

118 The governing body of any county, city, or town issuing licenses free of charge under this subsection  
119 may by ordinance provide for (i) the limitation, restriction, or denial of such free issuance to an  
120 otherwise qualified applicant, including without limitation the denial of free issuance to a taxpayer who

has failed to timely pay personal property taxes due with respect to the vehicle and (ii) the grounds for such limitation, restriction, or denial.

The situs for the imposition of licensing fees under this section shall in all cases, except as hereinafter provided, be the county, city, or town in which the motor vehicle, trailer, or semitrailer is normally garaged, stored, or parked. If it cannot be determined where the personal property is normally garaged, stored, or parked, the situs shall be the domicile of its owner. In the event the owner of the motor vehicle is a full-time student attending an institution of higher education, the situs shall be the domicile of such student, provided the student has presented sufficient evidence that he has paid a personal property tax on the motor vehicle in his domicile.

B. The revenue derived from all county, city, or town taxes and license fees imposed on motor vehicles, trailers, or semitrailers shall be applied to general county, city, or town purposes.

C. A county, city, or town may require that no motor vehicle, trailer, or semitrailer shall be locally licensed until the applicant has produced satisfactory evidence that all personal property taxes on the motor vehicle, trailer, or semitrailer to be licensed have been paid and satisfactory evidence that any delinquent motor vehicle, trailer, or semitrailer personal property taxes owing have been paid which have been properly assessed or are assessable against the applicant by the county, city, or town. A county, city, or town may also provide that no motor vehicle license shall be issued unless the tangible personal property taxes properly assessed or assessable by that locality on any tangible personal property used or usable as a dwelling titled by the Department of Motor Vehicles and owned by the taxpayer have been paid. Any county and any town within any such county may by agreement require that all personal property taxes assessed by either the county or the town on any vehicle be paid before licensure of such vehicle by either the county or the town.

C1. The Counties of Dinwiddie, Lee, and Wise may, by ordinance or resolution adopted after public notice and hearing and, with the consent of the treasurer, require that no license may be issued under this section unless the applicant has produced satisfactory evidence that all fees, including delinquent fees, payable to such county or local solid waste authority, for the disposal of solid waste pursuant to the Virginia Water and Waste Authorities Act (§ 15.2-5100 et seq.), or pursuant to § 15.2-2159, have been paid in full. For purposes of this subsection, all fees, including delinquent fees, payable to a county for waste disposal services described herein, shall be paid to the treasurer of such county; however, in Wise County, the fee shall be paid to the county or its agent.

D. The Counties of Arlington, Fairfax, Loudoun, and Prince William and towns within them and any city may require that no motor vehicle, trailer, or semitrailer shall be licensed by that jurisdiction unless all fines owed to the jurisdiction by the owner of the vehicle, trailer, or semitrailer for violation of the jurisdiction's ordinances governing parking of vehicles have been paid. The provisions of this subsection shall not apply to vehicles owned by firms or companies in the business of renting motor vehicles.

E. If in any county imposing license fees and taxes under this section, a town therein imposes like fees and taxes on vehicles of owners resident in the town, the owner of any vehicle subject to the fees or taxes shall be entitled, on the owner's displaying evidence that he has paid the fees or taxes, to receive a credit on the fees or taxes imposed by the county to the extent of the fees or taxes he has paid to the town. Nothing in this section shall deprive any town now imposing these licenses and taxes from increasing them or deprive any town not now imposing them from hereafter doing so, but subject to the limitations provided in subsection D of this section. The governing body of any county and the governing body of any town in that county wherein each imposes the license tax herein provided may provide mutual agreements so that not more than one license plate or decal in addition to the state plate shall be required.

F. Notwithstanding the provisions of subsection E of this section, in a consolidated county wherein a tier-city exists, the tier-city may, in accordance with the provisions of the agreement or plan of consolidation, impose license fees and taxes under this section in addition to those fees and taxes imposed by the county, provided that the combined county and tier-city rates do not exceed the maximum provided in subsection A of this section. No credit shall be allowed on the fees or taxes imposed by the county for fees or taxes paid to the tier-city, except as may be provided by the consolidation agreement or plan. The governing body of any county and the governing body of any tier-city in such county wherein each imposes the license tax herein may provide by mutual agreement that no more than one license plate or decal in addition to the state license plate shall be required.

G. Any county, city, or town may by ordinance provide that it shall be unlawful for any owner or operator of a motor vehicle, trailer, or semitrailer (i) to fail to obtain and, if any required by such ordinance, to display the local license required by any ordinance of the county, city or town in which the vehicle is registered, or (ii) to display upon a motor vehicle, trailer, or semitrailer any such local license, required by ordinance to be displayed, after its expiration date. The ordinance may provide that a violation shall constitute a misdemeanor the penalty for which shall not exceed that of a Class 4 misdemeanor and may, in the case of a motor vehicle registered to a resident of the locality where such

182 vehicle is registered, authorize the issuance by local law-enforcement officers of citations, summonses,  
183 parking tickets, or uniform traffic summonses for violations. Any such ordinance may also provide that  
184 a violation of the ordinance by the registered owner of the vehicle may not be discharged by payment of  
185 a fine except upon presentation of satisfactory evidence that the required license has been obtained.  
186 Nothing in this section shall be construed to require a county, city, or town to issue a decal or any other  
187 tangible evidence of a local license to be displayed on the licensed vehicle if the county's, city's, or  
188 town's ordinance does not require display of a decal or other evidence of payment. No ordinance  
189 adopted pursuant to this section shall require the display of any local license, decal, or sticker on any  
190 vehicle owned by a public service company, as defined in § 56-76, having a fleet of at least 2,500  
191 vehicles garaged in the Commonwealth.

192 H. Except as provided by subsections E and F, no vehicle shall be subject to taxation under the  
193 provisions of this section in more than one jurisdiction. Furthermore, no person who has purchased a  
194 local vehicle license, decal, or sticker for a vehicle in one county, city, or town and then moves to and  
195 garages his vehicle in another county, city, or town shall be required to purchase another local license,  
196 decal, or sticker from the county, city, or town to which he has moved and wherein his vehicle is now  
197 garaged until the expiration date of the local license, decal, or sticker issued by the county, city, or town  
198 from which he moved.

199 I. Purchasers of new or used motor vehicles shall be allowed at least a 10-day grace period,  
200 beginning with the date of purchase, during which to pay license fees charged by local governments  
201 under authority of this section.

202 J. Beginning October 1, 1992, the treasurer or director of finance of any county, city, or town may  
203 enter into an agreement with the Commissioner whereby the Commissioner will refuse to issue or renew  
204 any vehicle registration of any applicant therefor who owes to such county, city or town any local  
205 vehicle license fees or delinquent tangible personal property tax or parking citations issued only to  
206 residents of such county, city, or town. Before being issued any vehicle registration or renewal of such  
207 license or registration by the Commissioner, the applicant shall first satisfy all such local vehicle license  
208 fees and delinquent taxes or parking citations and present evidence satisfactory to the Commissioner that  
209 all such local vehicle license fees and delinquent taxes or parking citations have been paid in full. The  
210 Commissioner shall charge a reasonable fee to cover the costs of such enforcement action, and the  
211 treasurer or director of finance may add the cost of this fee to the delinquent tax bill or the amount of  
212 the parking citation. The treasurer or director of finance of any county, city, or town seeking to collect  
213 delinquent taxes or parking citations through the withholding of registration or renewal thereof by the  
214 Commissioner as provided for in this subsection shall notify the Commissioner in the manner provided  
215 for in his agreement with the Commissioner and supply to the Commissioner information necessary to  
216 identify the debtor whose registration or renewal is to be denied. Any agreement entered into pursuant to  
217 the provisions of this subsection shall provide the debtor notice of the intent to deny renewal of  
218 registration at least 30 days prior to the expiration date of a current vehicle registration. For the  
219 purposes of this subsection, notice by first-class mail to the registrant's address as maintained in the  
220 records of the Department of Motor Vehicles shall be deemed sufficient. In the case of parking  
221 violations, the Commissioner shall only refuse to issue or renew the vehicle registration of any applicant  
222 therefor pursuant to this subsection for the vehicle that incurred the parking violations. The provisions of  
223 this subsection shall not apply to vehicles owned by firms or companies in the business of renting motor  
224 vehicles.

225 K. The governing bodies of any two or more counties, cities, or towns may enter into compacts for  
226 the regional enforcement of local motor vehicle license requirements. The governing body of each  
227 participating jurisdiction may by ordinance require the owner or operator of any motor vehicle, trailer,  
228 or semitrailer to display on his vehicle a valid local license issued by another county, city, or town that  
229 is a party to the regional compact, provided that the owner or operator is required by the jurisdiction of  
230 situs, as provided in § 58.1-3511, to obtain and display such license. The ordinance may also provide  
231 that no motor vehicle, trailer, or semitrailer shall be locally licensed until the applicant has produced  
232 satisfactory evidence that (i) all personal property taxes on the motor vehicle, trailer, or semitrailer to be  
233 licensed have been paid to all participating jurisdictions and (ii) any delinquent motor vehicle, trailer, or  
234 semitrailer personal property taxes that have been properly assessed or are assessable by any  
235 participating jurisdiction against the applicant have been paid. Any city and any county having the urban  
236 county executive form of government, the counties adjacent to such county and towns within them may  
237 require that no motor vehicle, trailer, or semitrailer shall be licensed by that jurisdiction or any other  
238 jurisdiction in the compact unless all fines owed to any participating jurisdiction by the owner of the  
239 vehicle for violation of any participating jurisdiction's ordinances governing parking of vehicles have  
240 been paid. The ordinance may further provide that a violation shall constitute a misdemeanor the penalty  
241 for which shall not exceed that of a Class 4 misdemeanor. Any such ordinance may also provide that a  
242 violation of the ordinance by the owner of the vehicle may not be discharged by payment of a fine  
243 except upon presentation of satisfactory evidence that the required license has been obtained. The

provisions of this subsection shall not apply to vehicles owned by firms or companies in the business of renting motor vehicles.

L. In addition to the taxes and license fees permitted in subsection A, counties, cities, and towns may charge a license fee of no more than \$1 per motor vehicle, trailer, and semitrailer. Except for the provisions of subsection B, such fee shall be subject to all other provisions of this section. All funds collected pursuant to this subsection shall be paid pursuant to § 51.1-1204 to the Volunteer Firefighters' and Rescue Squad Workers' Service Award Fund to the accounts of all members of the Fund who are volunteers for fire departments or rescue squads within the jurisdiction of the particular county, city, or town.

§ 58.1-341. Returns of individuals.

A. On or before May 1 of each year if an individual's taxable year is the calendar year, or on or before the fifteenth day of the fourth month following the close of a taxable year other than the calendar year, an income tax return under this chapter shall be made and filed by or for:

1. Every resident individual, except as provided in § 58.1-321, required to file a federal income tax return for the taxable year, or having Virginia taxable income for the taxable year;

2. Every nonresident individual having Virginia taxable income for the taxable year, except as provided in § 58.1-321.

*Notwithstanding the foregoing, every member of the armed services of the United States deployed outside of the United States shall be allowed an automatic extension to file an income tax return. Such extension shall expire 90 days following the completion of such member's deployment. For purposes of this section, "the armed services of the United States" includes active duty service with the regular Armed Forces of the United States or the National Guard or other reserve component.*

B. If the federal income tax liability of husband or wife is determined on a separate federal return, their Virginia income tax liabilities and returns shall be separate. If the federal income tax liabilities of husband and wife (other than a husband and wife described in subdivision 2 of subsection A) are determined on a joint federal return, or if neither files a federal return:

1. They shall file a joint Virginia income tax return, and their tax liabilities shall be joint and several; or

2. They may elect to file separate Virginia income tax returns if they comply with the requirements of the Department in setting forth information (whether or not on a single form), in which event their tax liabilities shall be separate unless such husband and wife file separately on a combined return. The election permitted under this subsection may be made or changed at any time within three years from the last day prescribed by law for the timely filing of the return.

C. If either husband or wife is a resident and the other is a nonresident, they shall file separate Virginia income tax returns on such single or separate forms as may be required by the Department, in which event their tax liabilities shall be separate except as provided in subsection D, unless both elect to determine their joint Virginia taxable income as if both were residents, in which event their tax liabilities shall be joint and several.

D. If husband and wife file separate Virginia income tax returns on a single form pursuant to subsection B or C, and:

1. If the sum of the payments by either spouse, including withheld and estimated taxes, exceeds the amount of the tax for which such spouse is separately liable, the excess may be applied by the Department to the credit of the other spouse if the sum of the payments by such other spouse, including withheld and estimated taxes, is less than the amount of the tax for which such other spouse is separately liable;

2. If the sum of the payments made by both spouses with respect to the taxes for which they are separately liable, including withheld and estimated taxes, exceeds the total of the taxes due, refund of the excess may be made payable to both spouses.

The provisions of this subsection shall not apply if the return of either spouse includes a demand that any overpayment made by him or her shall be applied only on account of his or her separate liability.

E. The return for any deceased individual shall be made and filed by his executor, administrator, or other person charged with his property.

F. The return for an individual who is unable to make a return by reason of minority or other disability shall be made and filed by his guardian, committee, fiduciary or other person charged with the care of his person or property (other than a receiver in possession of only a part of his property), or by his duly authorized agent.

§ 58.1-3916. Counties, cities and towns may provide dates for filing returns, set penalties, interest, etc.

Notwithstanding provisions contained in §§ 58.1-3518, 58.1-3900, 58.1-3913, 58.1-3915 and 58.1-3918, the governing body of any county, city, or town may provide by ordinance the time for filing local license applications and annual returns of taxable tangible personal property, machinery and tools,

and merchants' capital. The governing body may also by ordinance establish due dates for the payment of local taxes; may provide that payment be made in a single installment or in two equal installments; may offer options, which may include coupon books and payroll deductions, which allow the taxpayer to determine whether to pay the tangible personal property tax through monthly, bimonthly, quarterly, or semiannual installments or in a lump sum, provided such taxes are paid in full by the final due date; may provide by ordinance penalties for failure to file such applications and returns and for nonpayment in time; may provide for payment of interest on delinquent taxes; and may provide for the recovery of reasonable attorney's or collection agency's fees actually contracted for, not to exceed 20 percent of the delinquent taxes and other charges so collected. A locality that provides for payment of interest on delinquent taxes shall provide for interest at the same rate on overpayments due to erroneously assessed taxes to be paid to the taxpayer, provided that no interest shall be required to be paid on such refund if (i) the amount of the refund is \$10 or less or (ii) the refund is the result of proration pursuant to § 58.1-3516. A court that finds that an overpayment of local taxes has been made in an action brought pursuant to § 58.1-3984 shall award interest at the appropriate rate, notwithstanding the failure of the locality to conform its ordinance to the requirements of this section.

*Notwithstanding provisions contained in §§ 58.1-3518, 58.1-3900, 58.1-3913, 58.1-3915 and 58.1-3918, an automatic extension on all local taxes owed by members of the armed services of the United States deployed outside of the United States shall be allowed by the local governing body. Such extension shall end and the taxes shall be due 90 days following the completion of such member's deployment. For purposes of this section, "the armed services of the United States" includes active duty service with the regular Armed Forces of the United States or the National Guard or other reserve component.*

No tax assessment or tax bill shall be deemed delinquent and subject to the collection procedures prescribed herein during the pendency of any administrative appeal under § 58.1-3980, so long as the appeal is filed within 90 days of the date of the assessment, and for 30 days after the date of the final determination of the appeal, provided that nothing in this paragraph shall be construed to preclude the assessment or refund, following the final determination of such appeal, of such interest as otherwise may be provided by general law as to that portion of a tax bill that has remained unpaid or was overpaid during the pendency of such appeal and is determined in such appeal to be properly due and owing.

Interest may commence not earlier than the first day following the day such taxes are due by ordinance to be filed, at a rate not to exceed 10 percent per year. The governing body may impose interest at a rate not to exceed the rate of interest established pursuant to § 6621 of the Internal Revenue Code of 1954, as amended, or 10 percent annually, whichever is greater, for the second and subsequent years of delinquency. No penalty for failure to pay a tax or installment shall exceed (i) 10 percent of the tax past due on such property; (ii) in the case of delinquent tangible personal property tax more than 30 days past due on property classified pursuant to subdivision A 15, A 16, or A 20 of § 58.1-3506, which remains unpaid after 10 days' written notice sent by United States mail to the taxpayer of the intention to impose a penalty pursuant hereto, the penalty shall not exceed an amount equal to the difference between the tax due and owing with respect to such property and the tax that would have been due and owing if the property in question had been classified as general tangible personal property pursuant to § 58.1-3503; (iii) in the case of delinquent tangible personal property tax more than 30 days past due, 25 percent of the tax past due on such tangible personal property; (iv) in the case of delinquent remittance of excise taxes on meals, lodging, or admissions collected from consumers, 10 percent for the first month the taxes are past due, and five percent for each month thereafter, up to a maximum of 25 percent of the taxes collected but not remitted; or (v) \$10, whichever is greater, provided, however, that the penalty shall in no case exceed the amount of the tax assessable. No penalty for failure to file a return shall be greater than 10 percent of the tax assessable on such return or \$10, whichever is greater; provided, however, that the penalty shall in no case exceed the amount of the tax assessable. The assessment of such penalty shall not be deemed a defense to any criminal prosecution for failing to make return of taxable property as may be required by law or ordinance. Penalty for failure to file an application or return may be assessed on the day after such return or application is due; penalty for failure to pay any tax may be assessed on the day after the first installment is due. Any such penalty when so assessed shall become a part of the tax.

No penalty for failure to pay any tax shall be imposed for any assessment made later than two weeks prior to the day on which the taxes are due, if such assessment is made thereafter through the fault of a local official, and if such assessment is paid within two weeks after the notice thereof is mailed.

In the event a transfer of real property ownership occurs after January 1 of a tax year and a real estate tax bill has been mailed pursuant to §§ 58.1-3281 and 58.1-3912, the treasurer or other appropriate local official designated by ordinance of the local governing body in jurisdictions not having a treasurer, upon ascertaining that a property transfer has occurred, may invalidate a bill sent to the prior owner and reissue the bill to the new owner as permitted by § 58.1-3912, and no penalty for failure to pay any tax for any such assessment shall be imposed if the tax is paid within two weeks after the

notice thereof is mailed.

Penalty and interest for failure to file a return or to pay a tax shall not be imposed if such failure was not the fault of the taxpayer, or was the fault of the commissioner of revenue or the treasurer, as the case may be. The failure to file a return or to pay a tax due to the death of the taxpayer or a medically determinable physical or mental impairment on the date the return or tax is due shall be presumptive proof of lack of fault on the taxpayer's part, provided the return is filed or the taxes are paid within 30 days of the due date; however, if there is a committee, legal guardian, conservator or other fiduciary handling the individual's affairs, such return shall be filed or such taxes paid within 120 days after the fiduciary qualifies or begins to act on behalf of the taxpayer. Interest on such taxes shall accrue until paid in full. Any such fiduciary shall, on behalf of the taxpayer, by the due date, file any required returns and pay any taxes that come due after the 120-day period. The treasurer shall make determinations of fault relating exclusively to failure to pay a tax, and the commissioner of the revenue shall make determinations of fault relating exclusively to failure to file a return. In jurisdictions not having a treasurer or commissioner of the revenue, the governing body may delegate to the appropriate local tax officials the responsibility to make the determination of fault.

The governing body may further provide by resolution for reasonable extensions of time, not to exceed 90 days, for the payment of real estate and personal property taxes and for filing returns on tangible personal property, machinery and tools, and merchants' capital, and the business, professional, and occupational license tax, whenever good cause exists. The official granting such extension shall keep a record of every such extension. If any taxpayer who has been granted an extension of time for filing his return fails to file his return within the extended time, his case shall be treated the same as if no extension had been granted.

This section shall be the sole authority for local ordinances setting due dates of local taxes and penalty and interest thereon, and shall supersede the provisions of any charter or special act.