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## HOUSE BILL NO. 1687

Offered January 9, 2013

Prefiled January 7, 2013

A BILL to amend and reenact §§ 58.1-3903 and 58.1-3981 of the Code of Virginia, relating to real property taxes; collection.

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Patron—Iaquinto

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Referred to Committee on Finance

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

1. That §§ 58.1-3903 and 58.1-3981 of the Code of Virginia are amended and reenacted as follows:  
§ 58.1-3903. Omitted local taxes or levies.

A. If the commissioner of the revenue of any county or city or the tax-assessing officer of any town ascertains that any local tax, *except as provided in subsection B for real property taxes*, has not been assessed for any tax year of the three preceding tax years or that the same has been assessed at less than the law required for any one or more of such years, or that the taxes for any cause have not been realized, the commissioner of the revenue or other assessing officer shall list and assess the same with taxes at the rate or rates prescribed for that year, adding thereto penalty and interest at the rate provided under §§ 58.1-3916 and 58.1-3918. Interest may be computed upon the taxes and penalty from the first day following the due date in the year in which such taxes should have been paid and shall accrue thereon from such date until payment; provided, *that* if such assessment was necessitated through no fault of the taxpayer, such penalty and interest shall accrue after ~~thirty~~ 30 days from such date of assessment until payment.

B. *For real property taxes concerning the validity of the assessed value of real property, if the commissioner of the revenue of any county or city or the tax-assessing officer of any town ascertains that the value of real property has not been assessed in the preceding tax year or that the value of the real property has been assessed at less than the law requires for such year, the commissioner of the revenue or other assessing officer shall list and assess the same with taxes at the rate or rates prescribed for that year, adding thereto penalty and interest at the rate provided under §§ 58.1-3916 and 58.1-3918. Interest may be computed upon the taxes and penalty from the first day following the due date in the preceding tax year by which taxes should have been paid and shall accrue thereon from such date until payment, provided that if such assessment was necessitated through no fault of the taxpayer, such penalty and interest shall accrue after 30 days from such date of assessment until payment.*

**§ 58.1-3981. Correction by commissioner or other official performing his duties.**

A. If the commissioner of the revenue, or other official performing the duties imposed on commissioners of the revenue under this title, is satisfied that he has erroneously assessed such applicant with any such tax, he shall correct such assessment. If the assessment exceeds the proper amount, he shall exonerate the applicant from the payment of so much as is erroneously charged if not paid into the treasury of the county or city. If the assessment has been paid, the governing body of the county or city shall, upon the certificate of the commissioner with the consent of the town, city or county attorney, or if none, the attorney for the Commonwealth, that such assessment was erroneous, direct the treasurer of the county, city or town to refund the excess to the taxpayer, with interest if authorized pursuant to § 58.1-3918 or in the ordinance authorized by § 58.1-3916, or as otherwise authorized in that section. However, the governing body of the county, city or town may authorize the treasurer to approve and issue any refund up to \$2,500 as a result of an erroneous assessment.

B. If the assessment is less than the proper amount, the commissioner shall assess such applicant with the proper amount. If any assessment is erroneous because of a mere clerical error or calculation, the same may be corrected as herein provided and with or without petition from the taxpayer. If such error or calculation was made in work performed by others in connection with conducting general assessments, such mistake may be corrected by the commissioner of the revenue. *In no event shall an increase in real property taxes due to an increase in the assessed value of the property apply to any year other than the current and preceding tax year.*

C. If the commissioner of the revenue, or other official performing the duties imposed on commissioners of the revenue under this title, is satisfied that any assessment is erroneous because of a factual error made in work performed by others in connection with conducting general reassessments, he shall correct such assessment as herein provided and with or without petition from the taxpayer.

D. An error in the valuation of property subject to the rollback tax imposed under § 58.1-3237 for

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59 those years to which such tax is applicable may be corrected within three years of the assessment of the  
60 rollback tax.

61 E. A copy of any correction made under this section shall be certified by the commissioner or such  
62 other official to the treasurer of his county, city or town. When an unpaid erroneous assessment of real  
63 estate is corrected under this section and such real estate has been sold at a delinquent land sale, the  
64 commissioner or such other official making such correction shall certify a copy of such correction to the  
65 clerk of the circuit court of his county or city; and such clerk shall note such correction in the  
66 delinquent land book opposite the entry of the tract or lot for the year or years for which such  
67 correction is made.

68 F. In any action on application for correction under § 58.1-3980, if so requested by the applicant,  
69 the commissioner or other such official shall state in writing the facts and law supporting the action on  
70 such application and mail a copy of such writing to the applicant at his last known address.