

LD6910809

HOUSE BILL NO. 1007

Offered January 25, 1994

A *BILL to amend and reenact § 58.1-1803 of the Code of Virginia, relating to the collection of delinquent taxes; fees.*

Patrons—Rhodes, Armstrong, Behm, Crouch, Deeds, Marshall, Morgan and Parrish

Referred to Committee on Finance

Be it enacted by the General Assembly of Virginia:

1. That § 58.1-1803 of the Code of Virginia is amended and reenacted as follows:

§ 58.1-1803. Department of Taxation may appoint collectors of delinquent state taxes.

A. The Department of Taxation may appoint a collector in any county or city to collect delinquent state taxes therein, and may allow him a reasonable compensation, to be agreed on before the service is commenced, which compensation shall not exceed twenty percent on what may be collected and paid into the state treasury.

B. The Department of Taxation may appoint collectors or contract with collection agencies in any state to collect delinquent state taxes therein from taxpayers not residing or domiciled in this Commonwealth, and allow reasonable compensation for such services, to be agreed on before the service is commenced. Delinquent claims for state taxes may be assigned to collectors or collection agencies so designated for the purpose of litigation in the Department of Taxation's name and at the Department of Taxation's expense.

C. *The Tax Commissioner shall add to an outstanding assessment an amount equal to the compensation (including reimbursements for cost and expenses, including litigation expenses) to be paid to a collector or collection agency as provided in this section for collecting the outstanding assessment.*

D. Compensation for collectors and collection agencies appointed by or under contract with the Department of Taxation pursuant to this section shall be paid out of the state treasury on warrant of the Comptroller issued on the certificate of the Tax Commissioner. Such collectors who are attorneys-at-law shall have authority to institute actions at law or suits in equity for the recovery of state taxes. For the purpose of this section, the term "state taxes" shall include any penalty, ~~and~~ interest *and all costs of collection charged by the collector or collection agency for collecting an outstanding assessment* added to delinquent taxes and shall also include the local sales and use tax imposed under the authority of §§ 58.1-605 and 58.1-606 and any penalty and interest applicable thereto. Each collector so appointed or collection agency so contracted with shall give bond to the Commonwealth for the faithful performance of the duties placed upon him by this section, in a penalty to be fixed by the Tax Commissioner, in whose office the bond shall be filed. Any county or city treasurer turning over delinquent tax tickets to any such collector in pursuance of orders issued by the Department of Taxation shall receive credit on the Comptroller's books for the amount so turned over.

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