

**RETURN BY
MARCH 1ST
WITH PAYMENT**

CITY OF SALEM BUSINESS LICENSE RENEWAL

COMMISSIONER OF THE REVENUE
LINDA M. CARROLL
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scundiff@salemva.gov

**RETURN BY
MARCH 1ST
WITH PAYMENT**

PLEASE PROVIDE AND VERIFY

OWNER or CORP:

SS# or FED. ID#:

TRADE NAME:

STATE LICENSE #:
IF APPLICABLE

MAILING ADDRESS:

VA SALES & USE#:
RETAIL MERCHANT

REGISTERED AGENT FOR CORPORATIONS:

CORP. PHONE:

LOCAL PHONE:

FAX NUMBER:

LOCATION ADDRESS:

EMAIL ADDRESS:

**** IF YOU ARE NO LONGER IN BUSINESS, IN ORDER TO CLOSE OUT YOUR ACCOUNT PLEASE GIVE THE DATE YOU CEASED TO OPERATE AND RETURN THIS FORM TO OUR OFFICE: _____**

*** A PENALTY OF 10% OF TAX OR \$10.00, WHICHEVER IS GREATER, WILL BE ASSESSED TO ANYONE FILING AFTER MARCH 1ST**

LIST ALL GROSS RECEIPTS FOR EACH CLASSIFICATION AS INDICATED BY X'S

CLASSIFICATION	TOTAL _____ GROSS RECEIPTS MULTIPLIED BY TAX RATE EQUAL TAX AMOUNT
AMUSEMENT SERVICE	\$ _____ x .0036 = \$ _____
BUSINESS SERVICE	\$ _____ x .0036 = \$ _____
CONTRACTOR <i>*See back of form*</i>	\$ _____ x .0016 = \$ _____
FINANCE	\$ _____ x .0020 = \$ _____
PERSONAL SERVICE	\$ _____ x .0036 = \$ _____
PROFESSIONAL SERVICE	\$ _____ x .0058 = \$ _____
REAL ESTATE SERVICE <i>*Brokers see back of form*</i>	\$ _____ x .0058 = \$ _____
REPAIR SERVICE	\$ _____ x .0036 = \$ _____
RETAIL MERCHANT	\$ _____ x .0020 = \$ _____
SHORT TERM RENTAL	\$ _____ x .0020 = \$ _____
WHOLESALE MERCHANT <i>*Give total of all _____ purchases*</i>	\$50.00 on the first \$10,000 of Purchases Additional Purchases exceeding the first \$10,000 \$ _____ x .0013 = _____ + \$50.00 = \$ _____

PLEASE CHECK ALL FLAT FEES THAT APPLY:

Tobacco: \$10.00 _____ Wine & Beer On & Off: \$100.00 _____
Wine & Beer On: \$50.00 _____ Wine & Beer Off: \$50.00 _____
Number of Seats Approved by ABC Board for mixed beverages: _____
Number of Seats: 1-100 \$250.00 101-150 \$350.00 Over 150 \$500.00
Solicitor: \$15.00 _____ Show & Sale: \$30.00 _____ Peddler: \$200.00 _____
Itinerant: \$50.00/\$500.00 _____ Regulatory License: \$150.00 _____
Junk Dealer: \$200.00 _____ Other: _____
Utility Service Companies: \$ _____ x .5% = \$ _____

ENCLOSE CHECK WITH THIS FORM PAYABLE TO CITY OF SALEM TREASURER. DUE BY MARCH 1ST

TOTAL GROSS RECEIPTS TAX	\$ _____	(Minimum \$30.00)
TOTAL FLAT FEE (S)	\$ _____	
PENALTY *SEE ABOVE	\$ _____	
INTEREST .6% PER MONTH	\$ _____	
TOTAL	\$ _____	

FOR OFFICE USE ONLY

DATE RECEIVED	
DATE PROCESSED	
PAYMENT RECEIVED	
OTHER	

ATTEST: I, the undersigned applicant do swear (or affirm) that the foregoing figures and statements are true, full and correct to the best of my knowledge and belief.

DATE SIGNATURE OF APPLICANT OR AUTHORIZED AGENT

PHONE# OF PREPARER PRINT NAME OF PREPARER

****SEE REVERSE SIDE FOR MORE INFORMATION****

*****ATTENTION BUSINESS OWNERS: PLEASE READ***
**INSTRUCTIONS FOR COMPLETEING 2011 BUSINESS LICENSE
APPLICATION****

Beginning with the 2011 application year, the renewal process for City of Salem Business Licenses has changed. Please review the following guidelines to ensure your application has been completed correctly. If you have any questions please feel free to contact our office at (540) 375-3019 or by email scundiff@salemva.gov.

BUSINESS LOCATIONS:

- ❖ Please verify all contact information provided at the top of the form is correct. If your Business trade name or physical location has changed please contact our office for further instructions.
- ❖ Your classification has been marked with an "X" on your form. To calculate your tax multiply your total gross receipts by the tax rate given. This amount should be carried over to the "total gross receipts tax" box located at the bottom right of your form. Please keep in mind the minimum license fee is \$30.00.
- ❖ Flat fees should be pre-printed on the license forms. Please add this amount to your total due. If you believe a flat fee applies to you but has not been marked please "x" the appropriate box and add the fee in the "total flat fee" box.
- ❖ Sign, date, and provide a contact phone number at the bottom of the form.

HOME BASED BUSINESSES:

- ❖ All home based businesses must complete the enclosed **Home Occupation Renewal Application** in its entirety along with the City of Salem License Application.
- ❖ If your gross receipts for the year are LESS than \$8,000 you will not owe a license fee. Please enclose a check for \$25 for your home occupation fee.
- ❖ If your gross receipts for the year are GREATER than \$8,000 you will owe both a home occupation and a license fee. Please enclose a check for the amount calculated on your License Application PLUS \$25 for your home occupation fee. The total can be paid in one check or money order.
- ❖ For instructions for calculating business license tax fees see "business location" section above.

BUSINESSES BEGINNING OPERATION AFTER JANUARY 1 2009:

- ❖ Businesses that did not pay on a full 12 months of receipts the prior year shall be subject to supplemental billing. **SEE REVERSE SIDE FOR DETAILS AND CALCULATIONS**

ALL CONTRACTORS:

- ❖ Contractors must enclose copies of business license bills from other localities in order to deduct these amounts from the Salem gross receipt total. Only receipts that have been paid on to another locality for business license purposes can be deducted.
- ❖ A copy of your current contractor's license from the State of Virginia must be attached to the license form. Any contractor not required to hold a license with the State of Virginia must complete the Contractor Affidavit located on the reverse side of the City of Salem License Application
- ❖ The Worker's Compensation Form enclosed must also be completed and returned with the form.

REAL ESTATE BROKERS:

- ❖ All brokers claiming exclusions for commissions paid to agents must identify each agent to whom receipts have been paid, amount of receipts, and jurisdiction to which agent is subject to business license tax. This list must be included with the license application.

*****ALL RETURNS ARE DUE TO OUR OFFICE BY MARCH 1ST.
PAYMENT MUST BE MADE WITH THIS FORM. RETURNS
RECEIVED WITHOUT PAYMENT WILL BE SUBJECT TO A 10%
LATE PAYMENT PENALTY*****

BUSINESSES BEGINNING OPERATION AFTER JANUARY 1, 2009

Normal procedures require you to file on your actual receipts for the previous year and your license fee is based on this amount. Since your first year is paid in advance based on an estimate and your second year is based on only a partial years receipts a supplemental bill amount may be due until your third year of operation (SEE EXAMPLE BELOW). **Please complete the worksheet below and return WITH your business license application.**

Business Name: _____ Business ID: _____

1. Actual 2010 Gross Receipts \$ _____

2. Gross Receipt Amount Reported for 2010 license \$ _____

3. Difference between lines 1 & 2 \$ _____

4. If line 3 is a positive number multiply by tax rate* \$ _____

*tax rate is indicated by your classification on the license application

5. Add the amount of line 4 to your current year tax due and enter the TOTAL Amount in the Total Gross Receipts Tax line of your 2011 Business License Application.

EXAMPLE:

ABC Corp. starts a new business in Salem on June 30, 2008. The owner estimates 2008 receipts to be \$50,000. Their license fee will be \$50,000 multiplied by their tax rate.

In six months ABC Corp. grossed \$92,000. Calculating the 2009 license tax will be based on actual gross receipts for the six months in 2008 that the business was operational. In addition a supplemental tax will be for the difference between what was estimated for 2008 and the actual gross receipt amount.

In 2009 ABC Corp. grossed \$150,000 for a full 12 months. Calculation the 2010 tax will be based on \$150,000. In addition a supplemental tax will be due for 2010 due to the previous year license tax being based on only 6 months worth of gross receipts made in 2009.

The 2011 license tax would be based on the actual gross receipts for 2010 with no supplemental billing because a full 12 months of gross receipts have now been declared.

**** If you have any questions regarding calculating your bill please contact our office using the contact information provided on your Business License Application. Failure to remit supplemental payment by the March 1st due date will result in penalties. ****