



TAX BULLETIN 17-5

Virginia Department of Taxation

June 7, 2017

IMPORTANT INFORMATION REGARDING NEW ADMINISTRATIVE FEES

Item 275 V of the 2017 Appropriation Act (House Bill 1500, Chapter 836 of the 2017 *Acts of Assembly*) requires the Department of Taxation (“the Department”) to impose fees for each request for an offer in compromise with respect to doubtful collectibility under *Va. Code* § 58.1-105; a letter ruling under *Va. Code* § 58.1-203; a local business tax advisory opinion under *Va. Code* §§ 58.1-3701 or 58.1-3983.1; and a corporate income tax filing status change request under *Va. Code* § 58.1-442. Such fees are effective July 1, 2017. The following chart shows the new fees:

Type of Request	Fee Amount
Offer in Compromise – Doubtful Collectibility	\$50
Ruling Letter	\$275
Local Business Tax Advisory Opinion	\$275
Corporate Income Tax Filing Status Change	\$100

Each fee must be paid at the time the request is made. For an offer in compromise with respect to doubtful collectibility, the payment must be attached to Form OIC-Fee and submitted with Form OIC I-3 and FIN I-1 (for individuals) or Form OIC B-3 and FIN B-1 (for businesses). For ruling letters and local business tax advisory opinions, the payment must be attached to Form Rulings-Fee and submitted with the ruling or advisory opinion request.

For a corporate income tax filing status change request, the payment must be attached to Form Filing Status-Fee and submitted with the request prior to the due date or extended due date of the return. Generally, the Department will grant requests to change an affiliated group’s filing status from separate to combined or from combined to separate. Requests to change to or from a consolidated filing status will generally be

denied absent extraordinary circumstances. The administrative fee must be paid, even if the change in filing status is not granted.

Taxpayers may request waivers from these administrative fees. Waivers will be granted only if the Tax Commissioner finds that such fee creates an unreasonable burden on the person making the request. For further information, see the instructions on the relevant fee form.

Further Instructions

Form OIC-Fee, Form Rulings-Fee, and Form Filing Status-Fee will be available on the Department's website, <http://www.tax.virginia.gov>, by July 1, 2017. If you have additional questions, please visit the Department's website or contact the Department at (804) 367-8031 for individual income tax questions or (804) 367-8037 for corporate income tax questions.