

**CITY OF LEXINGTON, VA  
BUSINESS LICENSE  
REQUIREMENTS**

- 1. All new businesses, and current businesses who have any change in their original nature of business or business address require approval from the Planning & Development Department (540-462-3704) verifying that the anticipated use of the property is acceptable. **No business license will be issued without this approval.** The Planning and Development Department can also answer any sign questions.**
- 2. If your business has a trade name, you must register the partnerships or trade/fictitious names with the State Corporation Commission at [www.scc.virginia.gov](http://www.scc.virginia.gov) (800-552-7945). A small fee is required.**
  - A. Individual – If a business is individually owned, the trade name must be registered unless the name of the business contains the entire name of the owner. For example “John’s Antiques” must be registered, “John Doe – Antiques” does not need to be registered.**
  - B. Corporation - If your company is incorporated & the corporate name is identical to the trade name, registration is not required. If the corporate name is different than the trade name, a corporate officer must sign the form.**
  - C. Partnership - If the business is a partnership, all partners must sign the form.**
- 3. Corporations need to provide a copy of their incorporation papers from the Virginia State Corporation Commissioner. (800)552-7945.**
- 4. Copies of any Virginia State Licenses required to operate the business.**
- 5. All businesses must contact the Virginia Department of Taxation to register for Sales and Use Tax [www.tax.virginia.gov](http://www.tax.virginia.gov) .**
- 6. All restaurants must provide a copy of health inspections from the Health Department. (540)463-3185.**
- 7. For payment of business license please make checks payable to the Treasurer, City of Lexington. (540)462-3707**

# **TRUST TAX GUIDELINES**

1. Trust Taxes include Prepared Food and Beverage, Transient Occupancy, and Short Term Rental. It is important to remember that these taxes are “trust” fund taxes. That means that the taxes are collected from your customers and temporarily held in trust before being remitted to the City of Lexington. The taxes should not be used for any other financial obligation.
2. A separate business license application and trust tax registration must be obtained for each physical business location.
3. The filing form and payment for each tax is due on or before the 20<sup>th</sup> of each month for the taxes that were collected during the prior month (ie...taxes collected in May are due to be filed and paid on or before June 20). A filing form is required to be filed each month even if sales/gross receipts are \$0.
4. Although metered mail is not considered on time, a legal USPS postmark will be accepted as timely filed. If the filing/payment due date falls on a weekend or on a holiday, the next business day becomes the due date. If your mail is returned you need to provide my office with a copy of the returned envelope in order to request the original postmark be used.
5. Penalties, interest and fees will be applied to accounts that are not paid in full by the 20<sup>th</sup> of each month. Any business failing to file, collect or remit trust taxes within the time required may result in civil and criminal penalties.
6. Records supporting the taxes listed in these guidelines shall be kept and maintained for a period of five years. The Commissioner of the Revenue or her designee shall have the right to inspect and examine such records at reasonable times.
7. Any change to the business license and/or trust tax information must be reported to the Commissioner of the Revenue’s Office within 30 days of the change (i.e....status change from active, name change, change in tax identification numbers, address change, etc....). Notification of change may be made by USPS mail, phone, fax, or email.
8. The ‘applicant’ for business license trust tax registration means any individual, corporation, company, association, firm, partnership or any group of individuals acting as a unit responsible for the collection and remittance of these taxes.
9. When a business ceases to operate or is otherwise disposed of, any tax payable under the Code shall become immediately due and payable. Any outstanding filing forms for any month shall also become due immediately.

If you have any questions regarding the filing, assessment, or remittance of these taxes, please contact:

**COMMISSIONER OF THE REVENUE**

**300 E Washington Street**

**Lexington, VA 24450**

**Phone: (540) 462-3701**

**Fax: (540) 463-4738**

**[kroundy@lexingtonva.gov](mailto:kroundy@lexingtonva.gov) Karen Roundy, Commissioner of the Revenue**

**or**

**[barmstrong@lexingtonva.gov](mailto:barmstrong@lexingtonva.gov) Beth Armstrong, Chief Deputy Commissioner of the Revenue**

**CITY OF LEXINGTON  
COMMISSIONER OF THE REVENUE  
BUSINESS LICENSE APPLICATION**

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Indicate Type of Ownership: ( ) Individual      ( ) Partnership      ( ) Corporation      ( ) LLC

Business/Trade Name: \_\_\_\_\_

Physical Business Address: \_\_\_\_\_

Sole Proprietor/ LLC/ Corporation Name: \_\_\_\_\_

Partnership Information: Names and Addresses of all general partners (Indicate Managing Partner(s) with asterisk \*) \_\_\_\_\_  
\_\_\_\_\_

Contact Name \_\_\_\_\_

Contact Phone Number & Email Address \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Projected business start date in the City: \_\_\_\_\_

Business Telephone#: \_\_\_\_\_ Fax#: \_\_\_\_\_

Home/Corp. Office Telephone#: \_\_\_\_\_ Email Address(es): \_\_\_\_\_

Social Security/Federal ID#: \_\_\_\_\_

Virginia Contractor License Class: \_\_\_\_\_ License Number: \_\_\_\_\_

Sales & Use Tax Registration Number: \_\_\_\_\_

Describe in detail the nature of business activity (current and proposed future activity): \_\_\_\_\_  
\_\_\_\_\_

Describe the nature or method of compensation (payment for products sold/services rendered, commissions, brokerage fees, etc.): \_\_\_\_\_  
\_\_\_\_\_

Types of customers/clients (private individuals, other businesses, walk-ins, etc.): \_\_\_\_\_  
\_\_\_\_\_

Estimate of gross receipts from business start date thru December 31 of the current calendar year (gross purchases for wholesale businesses): \$ \_\_\_\_\_.

**CORPORATIONS & LLC'S ONLY** (All corporations and LLC's must register with the Virginia State Corporation Commission): Provide copy of registration with Application.

Virginia Registered Agent: \_\_\_\_\_

Agent's Address: \_\_\_\_\_

List Corporate Information: Officers of the Corporation \_\_\_\_\_

State of Incorporation \_\_\_\_\_ Date of Charter, if a Virginia Corporation \_\_\_\_\_

Date of Qualification in State of Virginia, if Foreign Corporation \_\_\_\_\_

**TRUST TAX REGISTRATION INFORMATION (If Applicable)**

**CHECK ALL THAT APPLY:** ( ) TRANSIENT OCCUPANCY TAX

( ) MEALS TAX (PREPARED FOOD AND BEVERAGE TAX)

( ) SHORT TERM RENTAL

( ) CIGARETTE TAX STAMPS

The undersigned understands that the City is relying on the statements made herein and certifies that these statements are true and correct.

Signature of Applicant \_\_\_\_\_

Printed Name of Applicant \_\_\_\_\_

Title \_\_\_\_\_

Date: \_\_\_\_\_

Please contact the Commissioner of the Revenue Office at (540) 462-3701 to see if any additional information is needed in order to issue the business license (ie...zoning approval, registering a trade name with the SCC, etc.).

**MAIL OR EMAIL COMPLETED APPLICATION AND SUPPORTING DOCUMENTS TO:**

**Commissioner of the Revenue**

**300 E Washington Street**

**Lexington, VA 24450**

**[kroundy@lexingtonva.gov](mailto:kroundy@lexingtonva.gov) Karen Roundy, Commissioner of the Revenue**

**or**

**[barmstrong@lexingtonva.gov](mailto:barmstrong@lexingtonva.gov) Beth Armstrong,**

**Chief Deputy Commissioner of the Revenue**

**CITY OF LEXINGTON  
 COMMISSIONER OF THE REVENUE  
 INFORMATION FOR LEXINGTON CITY BUSINESSES**

**BUSINESS LICENSE INFORMATION**

- All business license renewal applications, including payment of the tax are due by **MARCH 1**.
- If your business closed or otherwise ceased to exist in the City, please note this change, sign and return the form to this office by **MARCH 1**.
- All new businesses, any change in the original nature of business or business address, require approval from the Planning & Development Department verifying that the anticipated use of the property is acceptable. Business licenses must be obtained prior to opening your business in the City of Lexington.
- Businesses with only a flat fee license (such as itinerant merchant, peddler, food truck, food cart, food trailer.) are not required to calculate any tax, just simply submit the flat fee.
- General classifications are listed below. **All questions relating to calculating your business license tax should be directed to the Commissioner of the Revenue's office at (540) 462-3701.**

**CLASSIFICATIONS**

Retail  
 Wholesale  
 Business/Personal Service  
 Real Estate  
 Financial  
 Professional Services  
 Utility

**LICENSE TAX RATES**

20 cents per \$100 Gross Receipts      \$30 min.  
 05 cents per \$100 Gross Purchases  
 36 cents per \$100 Gross Receipts      \$30 min.  
 58 cents per \$100 Gross Receipts      \$30 min.  
 58 cents per \$100 Gross Receipts      \$30 min.  
 58 cents per \$100 Gross Receipts      \$30 min.  
 50 cents per \$100 Gross Receipts

**ALCOHOLIC BEVERAGE FEES**

The following fees are in addition to the Retail Gross Receipts Tax.  
 Remember to include beverage sales of any type in the gross receipts tax calculation.

Mixed Beverage-Seating 50-100	\$100
Mixed Beverage-Seating 101-150	\$175
Mixed Beverage-Seating 151-plus	\$250
Mixed Beverage Caterer's License	\$250

**FLAT FEE LICENSES**

PEDDLER/ITINERANT MERCHANT	\$500
FOOD TRUCK, TRAILER OR CART	\$300

**Contact Commissioner of the Revenue's Office Concerning any Classification Not Listed Above**

## BUSINESS PERSONAL PROPERTY INFORMATION

- A **Business Personal Property Tax** is levied on all tangible personal property (furniture, fixtures, office equipment, machinery, books, tools, etc.) employed in a trade or business, which shall be valued by a percentage of the original cost.
- A **List of Fixed Assets**, including all tangible personal property used in the business, listing the year each item was purchased/acquired, a description of each item, and the original cost must be included with all returns. Include fully depreciated items for Federal Income Tax purposes as well.
- All computer **software** and **real property (Real estate)** are exempt from business personal property taxation.
- **If the business has changed its address and is still located in the City of Lexington**, please mark through the incorrect address information on the filing form and list the correct address on the return.
- If the **business has moved out of the City of Lexington**, please mark through the old address and list the correct information in one of the Schedules on the filing form. Also, please list the date of move, the new county, city and/or state the business has moved to, sign and date the form, and return to the Commissioner's office by **March 15**.
- If the **business has closed**, please list the close date on the filing form, sign and date the bottom, and return to the Commissioner's office by **March 15**.
- All Business Personal Property Filing Forms must be completed and returned to this office on or before **March 15**.

## HELPFUL ADDRESSES & PHONE NUMBERS

**City Hall – 300 E Washington St.**  
**Commissioner of the Revenue**  
(540) 462-3701

**Planning & Development Department**  
300 E Washington St,  
(540) 462-3704

**Building Permits**  
300 E Washington Street,  
(540) 462-3738

**Treasurer**  
300 E Washington Street  
(540) 462-3707

**Department of Motor Vehicles**  
110 Walker Street  
(804) 497-7100

**Department of Taxation**  
**State Sales Tax**  
Richmond, Virginia  
(804) 367-8037  
[www.tax.virginia.gov](http://www.tax.virginia.gov)

**Health Department**  
300 White Street  
(540) 463-3185

**State Corporation Commission**  
1300 E. Main St.  
Richmond, VA 23219  
(804) 371-9967

**Chamber of Commerce**  
18 E Nelson St, #101  
(540) 463-5375

**State Licensing Offices**  
Accountancy (CPA)  
(804) 367-8505

**Contractor (Class A, B, or C)**  
(804) 367-8511

Cosmetology (Hair & Nails)  
(804) 367-8590

Child Care  
(800) 543-7545

Real Estate Broker/Sales  
(804) 367-8526

**Complaints:**  
Department of Professional  
& Occupational Regulation  
9960 Mayland Dr Suite 400  
Richmond, Va. 23233  
(804) 367-8509