



20 **Business License Renewal Application**
 YEAR

FOR OFFICE USE ONLY:	
Bill #: _____	Revenue Clerk: _____ (initial/date)

License Number: _____ Federal Tax Id or SSN: _____

Business Name: _____

Business Address: _____

Is this a new location? No Yes (if yes, please contact Community Development)

Mailing Address: _____

Telephone: _____ Email: (required) _____

NAICS Code: _____ Number of employees: _____

Sections	Details	Gross Receipts	X Tax rate (Refer to rate schedule) (If <\$100K use flat fee)	= Tax	Penalty (10% if paid after March 1 st)*	Sub Total
Gross Receipts	ACTUAL Gross Receipts for prior year**	\$		\$	\$	\$
Alcoholic Beverages	ABC on premise ___ ABC off premise ___ ABC both ___	N/A	Flat fee: ABC on = \$37.50 ABC off = \$37.50 ABC on & off = \$75	\$	\$	\$
Mixed Beverages	Seating Capacity 0-100 ___ 100-150 ___ 150+ ___	N/A	Seating capacity 0-100 = \$200 100-150 = \$350 150+ = \$500	\$	\$	\$
SUB TOTAL DUE					\$	***

* Your license renewal must be filed, and taxes paid by March 1st of the present year. Failure to file and/or pay will result in a 10% penalty.
 ** Please enclose a copy of your previous year's U.S. Federal Income tax filing, identifying your actual gross receipts. If not available, please submit a copy of your prior year's Profit & Loss (P&L) or Income Statement.
 *** If you are renewing for the first time or an error was made in the calculation, adjustments may be made, and an email will be sent with additional payment information if applicable.

Declaration: I declare that the statements and amounts herein given are true, full, and correct to the best of my knowledge and belief. I am empowered by the firm/company to make this declaration.

Print name and title: _____

Signature: _____ Date: _____

Dear Town of Herndon Business Professionals,

This business license renewal package includes the renewal application (see page No. 1) and the Town of Herndon tax rates and information for required Federal Tax documents (see page No. 3). Your license renewal must be filed, and taxes paid by **March 1st**.

The Town of Herndon will accept a U.S. Postal Service postmark dated **on or before March 1st** as evidence of timely filing and payment. In-person and electronic payments received after March 1, will incur a **10% penalty**. If you wish to file electronically, please submit a copy of your completed application and supporting documents to revenue@herndon-va.gov first. Once the application has been received and processed, we will email you back with bill #, amount due, and payment link.

We strive to maintain accurate and updated information concerning your business, therefore your assistance in completing all portions of the application would be appreciated. Please insert the following information on the application:

- License Number
- Business address
- State whether the business has relocated within the last year.
- Number of employees
- Mailing Address
- Telephone number and Email Address
- Your business federal employer identification number (FEIN) used for income tax reporting purposes or your social security number.
- NAICS Code – Please visit www.naics.com if you are unsure of the NAICS Code for your business.

Adjustments for businesses renewing for the first time (2nd year in business).	
<p>Every new business filed an estimate of Gross Receipts for the 1st year. If an adjustment is made to the amount due for the first year, you may have a credit that goes towards the BPOL tax of the 2nd year, or you may have an additional balance due.</p>	
<p>Example 1: Credit Due to Business</p> <p>A new Dental office opens in the town and the estimated gross receipts for their first year of business were \$150,000. However, the actual gross receipts were \$115,000. The adjustment for the previous year is the estimated gross minus the actual gross times the corresponding tax rate (0.40% per \$100 in this case). The result is a credit of \$140.00 towards next year's BPOL fees.</p> <ul style="list-style-type: none">• $150,000 \text{ (estimate)} - 115,000 \text{ (actual)} = 35,000 * .004 \text{ (tax rate)} = -\\140.00 (credit).	<p>Example 2: Balance Due to Town of Herndon</p> <p>A retail business opened and the estimated gross receipts for the first year were \$105,000. However, the actual gross receipts were \$130,000. The adjustment for the previous year is the estimated gross minus the actual gross times the corresponding tax rate (0.13% per \$100 in this case). The resulting adjustment is a balance due of \$32.50 on the first year's BPOL fees.</p> <ul style="list-style-type: none">• $\\$105,000 \text{ (estimate)} - \\$130,000 \text{ (actual)} = \\$25,000 * .0013 \text{ (tax rate)} = \\32.50 (due).



Business License Tax Rates Schedule

Flat Fee Schedule:

- Annual gross receipts up to and including \$50,000 \$30.00
- Annual gross receipts of \$50,001 up to and including \$100,000 \$50.00
- Gross receipts greater than \$100,000 use the business tax rate below.

Business Tax Rates (GR \$100,001 plus):

- Amusements \$.36 per \$100
- Builder & Developer \$.05 per \$100
- Business & Personal Service \$.21 per \$100
- Massage Therapy \$.21 per \$100
- Contractors (**Requires VA state Contractor’s license and workman’s comp**) \$.13 per \$100
- Federal Research and Development \$.03 per \$100
- Hotel/Motels, Lodging (Requires Monthly Transient Occupancy Tax) \$.26 per \$100
- Money Lenders \$.20 per \$100
- Professional Service \$.40 per \$100
- Real Estate Brokers \$.40 per \$100
- Repair Service, Retail \$.13 per \$100
- Restaurants and Delis (Requires Monthly Meals Tax) \$.13 per \$100
- Telephone 1/2 of 1 %
- Wholesale Merchant (Gross Purchases) \$.05 per \$100

Alcoholic Beverages:

- Wholesale beer \$25.00
- Retail on premise beer/wine \$37.50
- Retail off premise beer/wine \$37.50
- Retail on and off premises beer/wine \$75.00
- Banquet license \$5.00/day

Alcoholic Mixed Beverages:

- 0 – 100 seating \$200.00
- 100 – 150 seating \$350.00
- 150 or more seating \$500.00

Required Federal Tax Documentation

When returning your completed and signed application with your payment, please remember to enclose a copy of the portion of your **prior year U.S. Federal Income tax filing** which identifies your reported gross receipts. For example, your **form 1120 or 1120-S for corporations, form 1065 for partnerships, and form 1040 schedule C for sole proprietors**. If your tax records for 2023 are not available by March 1st, please submit other proof of gross receipts: profit & loss (P&L) statement, or income statement.

General Information about Gross Receipts

“**Expenses**” are not allowable for most businesses.

“**Gross Receipts**” means the whole entire, total receipts, without deduction.

“**Gross Purchases**” means all goods, wares and merchandise received for sale at each definite place of business of a wholesale merchant.

For a description of the Town’s BPOL ordinances, including classification and rates, deductions and exclusions please visit the Town of Herndon website at www.herndon-va.gov and click on Government, Town Code & Adopted Policies. [Town Code & Adopted Policies | Town of Herndon, VA \(herndon-va.gov\)](#).

If you required additional information or assistance, please contact us at 703-787-7358 or email us at revenue@herndon-va.gov.