

GET SQUARE VA PROVIDES RELIEF FROM BACK TAXES

OCTOBER 9, 2009

BE IN A POSITION OF STRENGTHSM

The Virginia Department of Taxation will administer a tax amnesty program for a 60 day period beginning on October 7, 2009 and continuing through December 5, 2009. Known as Get Square VA, the tax amnesty program provides an opportunity for taxpayers to settle outstanding tax liabilities and file delinquent tax returns with the state without payment of penalties and only half the statutory rate of interest.

Generally all individuals and businesses can participate in the tax amnesty program which includes 36 separate taxes administered by the Virginia Department of Taxation. In order for a tax to be amnesty eligible, the assessment date for the tax liability must be on or before July 9, 2009 while tax returns must be applicable to an eligible tax type and period. For a complete list of amnesty eligible taxes and tax periods, please visit the amnesty website at www.getsquareva.com.

Taxpayers with special circumstances will be subject to certain rules for the amnesty program. For example, for joint filers both taxpayers must be eligible for the program in order to receive the benefit under the program. Other special circumstances that are eligible for amnesty are taxpayers in bankruptcy, accounts with liens, non filers, taxpayers with pending offers in compromise, taxpayers with pending appeals, and taxpayers currently being audited. Taxpayers in bankruptcy, a current audit, and non filers must come forward to the Virginia Department of Taxation to pay the tax during the eligible amnesty period. Taxpayers with offers in compromise pending may elect to terminate the offer in order to pay the tax bill during the amnesty period.

AN OPPORTUNITY FOR TAXPAYERS TO SETTLE OUTSTANDING TAX LIABILITIES AND FILE DELINQUENT TAX RETURNS WITH THE STATE WITHOUT PAYMENT OF PENALTIES AND ONLY HALF THE STATUTORY RATE OF INTEREST.

Questions or comments?
E-mail us at taxbriefs@withum.com



WithumSmith+Brown, PC
Certified Public Accountants and Consultants
New Jersey. New York. Pennsylvania. Maryland. Florida. Colorado.

GET SQUARE VA PROVIDES RELIEF FROM BACK TAXES

OCTOBER 9, 2009

BE IN A POSITION OF STRENGTHSM

Enrollment in a partial payment arrangement also allows eligibility under the tax amnesty program. Any pre-existing payment plan will be eligible for the interest and penalty waiver as long as the payment plan is up to date as of October 7, 2009. If the full amount of the bill is paid during the amnesty period, the entire bill will receive amnesty treatment. Payment plans entered into before the program's inception will not be subject to the unpaid tax penalty, as long as payments stay current on the plan. Partial payment arrangements can begin during the amnesty period, but will not receive amnesty treatment unless the entire bill is paid during the 60 day period.

In order to participate in the amnesty program, a taxpayer must file all required tax returns and pay the full amount of the tax due plus one half of the interest by December 5, 2009. If the taxpayer has an outstanding tax bill, the taxpayer must pay the tax due on the bill plus on half of the interest otherwise due no later than December 5, 2009. The benefits of the amnesty program will automatically be applied to the taxpayer when these requirements are met. There is no need for the taxpayer to complete an application form in order to participate in the amnesty program.

Any eligible tax liability that was not settled under the amnesty program will be assessed a 20% unpaid tax penalty in addition to all other penalties that may apply, plus the full amount of interest.

If you have any questions, please contact the WS+B Tax Services Team.

#356

Questions or comments?
E-mail us at taxbriefs@withum.com



WithumSmith+Brown, PC
Certified Public Accountants and Consultants
New Jersey. New York. Pennsylvania. Maryland. Florida. Colorado.