

**REPORT ON  
COLLECTIONS OF COMMONWEALTH REVENUES  
BY LOCAL CONSTITUTIONAL OFFICERS**

**FOR THE YEAR ENDED  
JUNE 30, 2008**

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**Auditor of  
Public Accounts**

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**COMMONWEALTH OF VIRGINIA**

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# Commonwealth of Virginia

**Walter J. Kucharski, Auditor**

**Auditor of Public Accounts  
P.O. Box 1295  
Richmond, Virginia 23218**

March 16, 2009

The Honorable Timothy M. Kaine  
Governor of Virginia  
State Capitol  
Richmond, Virginia

The Honorable M. Kirkland Cox  
Chairman, Joint Legislative Audit  
and Review Commission  
General Assembly Building  
Richmond, Virginia

We are pleased to submit the statewide Report on Collections of Commonwealth Revenues by Local Constitutional Officers for the fiscal year ended June 30, 2008. The Auditor of Public Accounts annually audits each constitutional officer or director of finance handling state funds to determine that these officials have maintained accountability over Commonwealth collections, established internal controls, and complied with state laws and regulations. This statewide report summarizes our findings that we have previously communicated to the individual Treasurers, Directors of Finance, Commissioners of the Revenue, Sheriffs, Commonwealth's Attorneys, and the respective local governing body upon completing our individual audits. Constitutional officers, excluding Clerks of the Circuit Courts, collected \$449,151,326 in Commonwealth revenues for fiscal year 2008, as detailed in Schedule A. Clerks of the Circuit Courts maintain separate accounting records and we issue separate reports for each Clerk's Office. This report also includes a Schedule of State and Estimated Income Taxes by local government for each of the past six tax years in Schedule B.

Our audits resulted in findings at fifteen localities. We have listed the findings by constitutional officer and locality.

We limited our work in local government to the collection of Commonwealth revenues. The local governments hire certified public accountants to audit all other local government financial activities. These firms issue separate reports on the results of their audits.

AUDITOR OF PUBLIC ACCOUNTS

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## TREASURERS AND DIRECTORS OF FINANCE

### Audit Risk Alert

*City of Waynesboro*

The following audit findings are essentially the same over the last three audits, and coupled with the material weakness findings reported by the City's independent auditors, we have concerns over the Treasurer's failure to correct these matters and those in the City's annual audit report. Many of the findings below duplicate findings in the City's annual audit report and represent fundamental basic internal controls necessary to prevent accounting and posting errors, loss, and misuse of funds entrusted to the Treasurer.

These fundamental basic internal controls are also the means for providing accurate and timely information to taxpayers, city financial decision makers, and other governments. Having these internal controls demonstrates accountability, and when properly applied increases efficient and effective service to the public.

We strongly encourage the Treasurer to correct the findings below and those found in the City's annual report. Without correction, we believe that the Treasurer increases her risk of accounting and other bookkeeping errors as well as the loss of funds occurring and going undetected.

### Strengthen Internal Controls

As we reported last year, the Treasurer does not maintain an adequate internal control system for her office. These inadequacies have led to prior improprieties and misappropriation of funds and the current situation could allow these problems to continue.

The Treasurer has responsibility for establishing and maintaining internal controls and complying with applicable laws and regulations. The Treasurer does not use the in-house system that is available to receipt or maintain records of state and estimated income taxes. Internal control is a process that provides reasonable, but not absolute, assurances regarding the protection of assets, reliability of financial reporting, maintain effectiveness and efficiency of operations, and comply with applicable laws and regulations.

Specifically, we noted the following areas needing improvement.

- *Properly Secure Mail Payments*

The Treasurer and her staff leave collections on the desk unsecured, which makes them susceptible to loss or theft. The Treasurer and her staff should secure payments when received in a locking drawer and not have them in the open where they could be lost or stolen.

In addition, the Treasurer should ensure a separation of duties when processing mail payments; no one person should open, record, and deposit mail payments.

- *Properly Record Penalty and Interest*

The Treasurer does not properly record penalty and interest consistently into an official accounting system nor is the penalty and interest calculation by the Commissioner of Revenue included as part of the assessment. Failure to properly record interest and penalty could result in the loss of revenue to the Commonwealth,

and result in the taxpayer improperly assuming they have paid the entire amount they owe the Commonwealth. The Treasurer should appropriately record penalty and interest to ensure that it agrees monthly to the state's Commonwealth Accounting and Reporting System (CARS).

- *Properly Document and Secure Manual Receipts*

Normally, the Treasurer and her staff record all transactions directly into the accounting system, which can provide a receipt for any collection. The use of manual receipts is reserved for unusual transactions which the Treasurer and her staff can not immediately enter into the accounting system. After issuing a manual receipt, the Treasurer and her staff must manually enter the transaction into the accounting system, increasing the risk of errors and other data entry problems in recording the receipt.

The Treasurer should have controls in place to minimize the use of manual receipts to guarantee the Treasurer and her staff properly record all transactions later in the system properly. In order to achieve this objective, the Treasurer should physically safeguard the manual receipts until needed. Controls over usage of manual receipts should also be established, documenting daily the beginning and ending numbers of all manual receipts used, and including on each receipt the signature or initials of the person responsible for taking the payment. We further recommend the Treasurer use pre-numbered receipt books preprinted with the City of Waynesboro on them.

- *Maintain Proper Accounting Records and Perform Monthly Reconciliations*

The Treasurer failed to maintain appropriate accounting records for taxpayer payments as required by Code of Virginia Section 2.2-806(A), sound business practices, and generally accepted accounting principles. Without such records, the Treasurer was unable to provide accurate balances for collections and uncollected taxes at time of audit.

Additionally, the Treasurer did not reconcile state income tax assessments, collections, and uncollected balances to the CARS for the entire fiscal year. The Department of Accounts provides monthly reports to Treasurers so that they can reconcile the amounts recorded by the Commonwealth. Failing to maintain records and perform monthly reconciliations is a significant internal control weakness which brings into question the reliability, effectiveness, and efficiency of the office.

The Treasurer should maintain proper records of state funds received and should reconcile these records to the assessments and collections recorded in CARS pursuant to Code of Virginia Section 58.1-3168. This will ensure complete and accurate recording of state tax assessments and collections. Implementation of an automated system for recording tax payments received would assist the Treasurer in daily reconciliation and also monthly reconciliations to CARS.

- *Send Commonwealth Fees Promptly*

We found the Treasurer has failed to remit Sheriff's fees to the Commonwealth for up to twelve months, which totaled \$801. Additionally, we found Worker's

Compensation Fees in the amount of \$72 recorded in a local account and not sent to the State. The Treasurer also, over remitted \$2,756 in local funds to the state.

Contributing to these errors is the Treasurer not doing timely reconciliations to find these errors. Section 2.2-806 (B) of the Code of Virginia requires Treasurers to remit fees weekly, or twice each week when collections exceed \$5,000 and the Treasurer should follow this procedure.

Remit Sheriff Fees Promptly

*City of Portsmouth*  
*City of Salem*  
*County of Albemarle*  
*County of Page*

The Treasurer or Director of Finance delayed sending Sheriff's fees to the Commonwealth. Section 2.2-806(B) of the Code of Virginia requires Treasurers and Directors of Finance to remit fees weekly, or twice each week when collections exceed \$5,000. The Treasurer or Director of Finance should remit fees as required by the Code of Virginia.

Remit Tax Collections Timely

*County of Alleghany*

The Treasurer did not remit state tax collections as required by the Code of Virginia section 2.2-806 (A), which requires treasurers to remit all tax collections within one banking day of receipt. We had difficulty agreeing collections from daily transmittals to deposit certificates. We found the Treasurer uses a software program which allows her and her staff to post date payments. The Treasurer should remit all state tax collections as required.

Use Correct Interest Rate

*County of Nelson*  
*County of Rockbridge*

The Treasurer did not enter the correct interest rate into the state tax accounting system to reflect changes in interest rates published by the Department of Taxation. The Treasurer should review the quarterly Virginia Tax Bulletin and promptly update the system when the rate changes.

Perform Monthly Reconciliations

*County of Rockbridge*

The Treasurer did not perform timely and adequate monthly reconciliations of her accounting records to the CARS reports provided by the Department of Accounts. Timely monthly reconciliations are a significant internal control which is essential for determining the reliability of information. The Treasurer should reconcile assessments, collections, and uncollected balances to CARS on a monthly basis pursuant to Section 58.1-3168 of the Code of Virginia and submit correction requests timely. Proper procedures will ensure complete and accurate recording of tax assessments and collections.

## COMMISSIONERS OF THE REVENUE

### Properly Report Assessments

#### *City of Colonial Heights*

The Commissioner of Revenue failed to report \$291,023 for 2007 state income tax assessments to the Department of Taxation. Commissioners of Revenue, who handle state income tax returns, must report monthly to the Department of Taxation the total of returns and payments they accept and process locally. When the Commissioner properly reports the assessments, this will resolve the difference between the city general ledger and the Commonwealth Accounting and Reporting System (CARS).

Further, the Commissioner of Revenue should reconcile her daily assessment totals to her monthly assessment totals to ensure the monthly recapitulation report required by the Department of Taxation is accurate. This reporting and reconciliation process is a fundamental internal control that ensures proper recording of taxpayer payments.

### Revise Method of Tracking Tax Returns

#### *County of Frederick*

As noted in the prior year audit, the Commissioner of Revenue uses a cash receipt book to track and monitor tax returns and estimated payments. The use of a cash receipt book makes it appear that the Commissioner is performing certain collections and other duties, which the Treasurer and the Virginia Department of Taxation (Tax) actually perform. While we commend the Commissioner for wanting to track the processing of tax returns, the use of a cash receipt book is not the best method, when she mails returns to Tax and uses the same receipt multiple times for estimated payments.

We again recommend that the Commissioner use some other tracking mechanism for returns and estimated payments. The Commissioner should immediately stop issuing manual receipts and if taxpayers wish to pay in cash the Commissioner should send these taxpayers to the Treasurer's office and if the taxpayer wants some acknowledgement of the receipt of their return use another means of providing that information.

## SHERIFFS

### Reconcile Bank Statement

*County of Appomattox*

During fiscal year 2008, the Sheriff did not reconcile his official bank account. Reconciliations are an essential internal control to ensure the proper accounting for funds and timely correction of errors. The Sheriff should immediately begin performing monthly bank reconciliations.

### Promptly Deposit Sheriff's Fees

*County of Clarke*

*County of Frederick*

*County of Page*

The Sheriff does not promptly deposit fees either into an official bank account or directly with the local Treasurer. Having cash and checks on hand increases the risk that these funds could be misplaced or lost.

The Sheriff should follow the accounting best practices for fees as outlined in the Virginia Sheriff's Accounting Manual, which recommends the Sheriff deposit all collections, if receipts total \$200 or more, daily either into the Sheriff's official bank account or directly with the Treasurer. When receipts total less than \$200 in a day, the Sheriff should accumulate daily receipts until they total \$200, but always deposit no less frequently than weekly.

### Promptly Remit Sheriff's Fees

*County of Appomattox*

*County of Page*

The Sheriff delayed remitting sheriff's fees to the County Treasurer. Section 15.2-1609.3 of the Code of Virginia requires the Sheriff to remit fees to the City Treasurer on or before the tenth day of the month following collections. The Sheriff should comply with remittance requirements as outlined in the Code of Virginia.

### Properly Manage Manual Receipts

*County of Clarke*

*County of Page*

The Sheriff does not maintain proper accounting records. The Sheriff and his staff should review and follow the accounting requirements and best practices for manual receipts as outlined in the Virginia Sheriff's Accounting Manual. A lack of internal controls in this area will increase the risk that these funds could be lost or misplaced. Additionally, Section 15.2-1615 of the Code of Virginia requires the Sheriff to retain records for audit purposes. The Sheriff should maintain proper records to ensure full and accurate accountability of all state monies received.

### Improve Accounting Procedures

#### *County of Fairfax*

The Sheriff did not retain a May 2008 bank statement as required by Section 15.2-1615(B) of the Code of Virginia. Consequently, the Sheriff did not reconcile his official bank account for May 2008. Further, the Sheriff did not reconcile his official bank account for June 2008. Record retention and monthly reconciliations are essential internal controls to ensure the proper accounting for funds and timely recognition of error.

As was noted in the prior audit, the Sheriff continues to hold cash and checks for civil fees in his office for up to two weeks before depositing them into his official bank account. This office has averaged monthly collections of greater than \$10,000 per month for the last two fiscal years. Having cash and checks on hand increases the risk that these funds could be misplaced or lost. The Sheriff should follow the accounting best practices as outlined in the Virginia Sheriff's Accounting Manual, which recommends the Sheriff daily deposit all collections into the Sheriff's official bank account, intact, if receipts total \$200 or more. The Sheriff should always deposit collections no less frequently than once a week.

The Sheriff relies on a single staff member to perform banking and deposit functions and does not have appropriate back-up when the Administrative Supervisor is not available. The Sheriff should train additional staff in these functions to ensure the Office properly retains and reviews the records and deposits civil fees timely.

### Properly Calculate and Report Sales Commissions

#### *County of Mathews*

The Sheriff did not accurately calculate or properly report to the State Treasurer the commission from a Sheriff sale. The Sheriff calculated only a five percent commission and reported the collections as local monies rather than Commonwealth monies. Subsequently, this collection has gone to the State Treasurer. Section 8.01-499 of the Code of Virginia requires the Sheriff collect a ten percent sales commission for each Sheriff's sale and turn over the collected commission to the Treasurer as state collections.

The Sheriff should either recover the commission not collected and disbursed to the recipients of the Sheriff's sale or personally pay the uncollected commission to the Commonwealth. In the future, the Sheriff should comply with the Code of Virginia and follow the procedures outlined in the Virginia Sheriff's Accounting Manual for sales in the Sheriff's office.

### Improve Disbursing Procedures from the Sheriff's Account

#### *County of Patrick*

The Sheriff should comply with the Code of Virginia when making disbursements from his Sheriff's account. The Sheriff disbursed \$150 from the account to an individual for training without having an appropriation as required by Sections 15.2-2506 and 15.2-1203 of the Code of Virginia. Without an appropriation, the Sheriff should never directly disburse monies from his official bank account for payment of services.

The Sheriff delayed sending funds to the local Treasurer. After receiving an initial deposit of \$25,260 on April 7, 2008, from the sale of seized assets, there was approximately a month before the Sheriff sent about \$10,000 to the local treasurer. As of June 30, 2008, there remained a balance of \$14,615. The Sheriff sent the final \$1,500 to the appropriate party on August 26, 2008. Per Section 15.2-1615 of the Code of Virginia, the Sheriff is to remit monies promptly to the local Treasurer.

SUMMARY OF COLLECTIONS

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Income taxes	\$138,931,690	\$146,827,026	\$139,245,142	\$123,731,127
Estimated income taxes	299,448,937	299,335,707	280,386,547	251,395,616
Penalty	290,861	355,851	352,465	340,958
Interest	37,760	48,334	47,849	44,445
Commonwealth's portion of Sheriff's fees	10,133,518	10,078,428	10,124,213	9,479,028
Commonwealth Attorney's excess collection program fees	<u>308,560</u>	<u>296,467</u>	<u>289,704</u>	<u>198,699</u>
Total	<u>\$449,151,326</u>	<u>\$456,941,813</u>	<u>\$430,445,920</u>	<u>\$385,189,873</u>

This schedule summarizes the cash collections made in the period July 1 to June 30 each year, regardless of the tax year.

Schedule of State and Estimated Income Taxes  
Reported by Local Government and Tax Year

Locality	State Income Taxes					
	TY 2006	TY 2005	TY 2004	TY 2003	TY 2002	TY 2001
Cities:						
Alexandria	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Bedford City	113,883	97,755	115,132	91,968	68,241	89,402
Bristol	1,886,048	776,128	654,142	551,900	818,384	917,049
Buena Vista	75,585	89,583	93,443	46,175	52,964	73,423
Charlottesville	1,963,035	2,637,846	2,567,624	1,655,305	1,269,451	1,291,488
Chesapeake	5,303,334	5,703,561	4,873,450	4,058,128	3,761,849	3,897,538
Colonial Heights	21,850	215,446	267,072	190,366	289,764	261,260
Covington	69,922	56,681	44,891	36,849	55,005	70,220
Danville	986,953	1,104,599	1,374,633	1,084,060	787,228	1,149,564
Emporia	156,029	40,166	36,917	55,382	35,627	51,288
Fairfax City	783,492	647,915	697,667	456,087	421,295	588,919
Falls Church	968,926	881,473	545,242	441,878	347,906	652,946
Franklin City	203,478	203,063	121,297	136,981	183,941	161,611
Fredericksburg	1,541,523	2,201,117	901,615	780,989	966,634	1,059,863
Hampton	2,243,555	2,000,601	1,927,757	1,674,834	1,731,259	1,906,509
Harrisonburg	1,065,889	1,617,532	982,493	727,546	752,711	870,795
Hopewell	236,143	248,943	192,317	174,565	238,840	218,602
Lexington	576,666	558,747	279,220	189,868	226,601	254,069
Lynchburg	2,659,677	2,208,197	1,122,274	1,130,374	1,074,283	1,602,186
Manassas Park	90,748	64,028	92,389	57,337	70,352	144,654
Martinsville	610,487	176,068	238,591	194,456	191,301	234,246
Newport News	2,809,003	4,052,523	2,400,770	2,297,703	2,083,053	2,616,716
Norfolk	4,797,688	5,153,309	4,834,240	3,994,764	3,489,369	3,892,419
Norton	155,576	107,984	109,470	113,555	82,373	74,718
Petersburg	-	141,970	161,871	19,826	199,982	198,822
Poquoson	623,705	532,981	493,359	299,480	297,175	373,530
Portsmouth	1,401,098	1,226,491	1,080,513	1,205,841	1,070,886	1,152,211
Radford	243,393	204,349	156,504	168,552	103,755	230,402
Richmond City	34,199	41,359	84,573	70,777	50,365	52,879
Roanoke City	-	1,102,246	966,848	942,155	949,935	932,771
Salem	513,285	443,507	425,044	345,647	-	271,818
Staunton	515,400	505,316	275	86,344	61,372	420,788
Suffolk	2,578,545	2,298,763	2,061,315	1,640,040	1,364,364	1,599,703
Virginia Beach	17,212,855	19,334,595	16,955,841	14,761,712	12,584,885	13,852,546
Waynesboro	676,188	660,830	489,330	376,830	361,175	364,604
Williamsburg	1,145,550	789,401	840,486	458,393	642,717	654,408
Winchester	-	-	-	-	-	-

Estimated Income Taxes						
TY 2007	TY 2006	TY 2005	TY 2004	TY 2003	TY 2002	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
221,345	172,526	227,997	166,526	169,352	179,284	
1,456,572	1,070,996	1,199,210	850,722	889,725	936,199	
82,154	107,658	98,494	107,489	80,481	113,075	
4,092,012	3,498,279	3,576,722	2,316,372	2,064,124	2,141,329	
9,051,837	9,284,164	8,143,488	7,060,028	6,621,205	6,370,783	
527,411	550,032	509,831	449,993	707,899	457,247	
109,824	86,390	86,700	77,832	91,597	143,298	
2,851,179	3,182,495	2,555,071	2,199,716	2,327,968	2,798,556	
59,636	109,138	89,740	110,648	1,479,704	918,926	
2,437,248	2,279,681	1,789,734	2,055,568	1,361,954	1,613,146	
2,543,264	2,131,260	1,577,757	1,592,314	1,534,481	1,441,643	
650,681	621,737	472,006	393,313	384,274	502,594	
4,359,772	5,570,710	4,389,148	2,864,153	2,030,652	2,628,200	
3,007,128	2,387,628	2,537,645	2,263,477	2,333,343	2,324,857	
2,110,849	2,303,929	1,962,754	2,013,722	1,912,739	1,844,362	
277,178	245,044	218,814	262,564	253,541	286,033	
701,046	641,436	576,491	447,465	406,254	544,725	
5,051,458	5,209,540	4,121,336	3,651,633	3,213,885	3,781,631	
-	-	-	-	-	-	
1,183,542	817,787	1,040,433	747,027	626,900	677,948	
5,705,746	4,424,736	2,784,199	3,629,730	3,075,878	3,503,789	
11,264,570	10,779,818	9,206,454	7,698,185	6,952,363	7,345,020	
108,097	101,646	103,359	114,680	115,722	289,755	
167,624	111,547	281,429	325,181	269,092	393,701	
867,563	1,114,334	1,088,032	874,362	706,951	656,841	
1,581,032	1,781,300	1,714,304	1,564,919	1,442,780	1,616,867	
446,871	304,006	324,920	334,645	243,384	277,174	
130,728	161,744	143,276	80,588	97,249	81,931	
3,737,032	3,574,121	3,333,982	2,862,780	2,813,173	2,819,356	
1,653,076	1,378,706	1,345,705	1,011,799	985,107	996,184	
1,042,366	1,056,121	945,746	897,152	797,173	890,509	
3,367,922	3,291,307	3,038,418	2,814,829	2,317,167	2,535,322	
42,987,457	38,163,529	40,979,209	40,930,863	28,411,812	30,369,397	
1,114,466	953,540	871,217	900,621	828,513	926,281	
2,843,566	2,267,218	2,344,767	1,822,762	1,876,881	1,803,266	
-	-	-	-	-	-	

Schedule of State and Estimated Income Taxes  
Reported by Local Government and Tax Year

Locality	State Income Taxes					
	TY 2006	TY 2005	TY 2004	TY 2003	TY 2002	TY 2001
Counties:						
Accomack	\$ 1,766,738	\$ 1,609,858	\$ 2,408,033	\$ 1,367,540	\$ 1,198,896	\$ 1,124,401
Albemarle	-	-	-	-	-	-
Alleghany	276,705	158,297	175,390	128,452	254,398	235,462
Amelia	300,713	299,414	261,090	312,643	195,560	279,363
Amherst	529,326	449,448	528,772	378,449	347,673	463,644
Appomattox	351,758	350,941	260,338	283,443	243,397	297,441
Arlington	-	-	-	-	-	-
Augusta	2,311,516	2,212,424	1,989,598	1,495,460	1,444,821	2,013,658
Bath	131,104	136,419	68,354	59,805	70,223	98,846
Bedford County	2,693,002	2,466,426	2,284,706	1,871,530	1,245,424	1,745,867
Bland	170,401	165,543	112,531	2,029,855	100,903	121,172
Botetourt	840,522	678,702	580,095	512,419	531,023	544,583
Brunswick	397,690	331,096	310,913	290,515	201,685	270,712
Buchanan	659,812	501,462	436,276	393,287	506,482	506,707
Buckingham	185,369	141,804	139,738	125,207	150,169	156,592
Campbell	949,085	966,220	884,444	727,321	951,388	1,029,808
Caroline	527,155	719,636	671,880	436,662	339,667	370,992
Carroll	-	-	-	-	-	-
Charles City	-	-	-	-	-	-
Charlotte	310,191	215,733	221,882	315,060	170,010	210,322
Chesterfield	8,784,121	7,491,359	6,035,060	5,846,466	5,450,988	5,932,647
Clarke	806,984	1,118,864	616,609	611,678	528,830	576,414
Craig	58,159	60,373	41,978	59,249	48,001	62,189
Culpeper	1,288,953	1,942,025	1,327,602	1,564,574	1,295,911	1,213,549
Cumberland	120,875	114,536	91,221	109,436	109,594	99,666
Dickenson	229,549	156,577	183,059	159,122	173,420	242,645
Dinwiddie	344,251	260,627	272,968	245,909	290,773	300,157
Essex	417,220	218,544	359,354	327,165	218,701	275,708
Fairfax County	-	-	-	-	-	-
Fauquier	5,148,841	4,476,516	5,828,157	3,743,225	4,014,868	4,150,120
Floyd	116,513	169,790	206,409	194,613	145,782	243,321
Fluvanna	-	-	-	-	-	-
Franklin County	2,425,118	1,246,228	1,378,869	904,272	982,461	1,041,469
Frederick	201,880	134,473	119,539	146,174	71,399	131,600
Giles	312,674	290,679	286,807	239,804	205,608	268,586
Gloucester	1,026,710	1,091,623	963,096	709,318	711,416	864,752
Goochland	2,336,588	1,233,102	1,869,495	768,700	710,942	1,134,610
Grayson	304,694	152,586	175,592	171,752	143,108	117,600
Greene	5,851	10,879	36,353	9,128	16,838	25,530
Greensville	126,091	243,213	85,090	136,079	90,931	121,974
Halifax	672,790	573,101	576,768	526,421	407,521	423,180
Hanover	3,217,637	2,655,477	2,659,209	2,381,250	2,302,743	2,690,811
Henrico	-	-	-	-	-	-
Henry	946,468	948,583	858,686	853,040	708,205	961,645

Estimated Income Taxes						
TY 2007	TY 2006	TY 2005	TY 2004	TY 2003	TY 2002	
\$ 2,258,405	\$ 2,218,333	\$ 2,406,480	\$ 1,767,849	\$ 1,570,404	\$ 1,796,589	
78,256	631,257	182,043	115,296	103,160	86,303	
521,645	415,438	533,972	411,969	440,137	497,002	
289,394	353,074	282,253	308,703	265,662	255,827	
881,177	747,622	711,142	575,416	625,577	604,528	
688,385	514,390	530,510	567,042	518,867	552,446	
50,955	34,458	17,946	92,678	142,966	115,023	
3,451,065	3,632,121	3,096,347	2,680,983	2,370,931	2,535,223	
424,572	448,247	353,313	346,325	369,412	265,828	
4,923,179	3,936,229	3,961,339	3,379,755	3,015,276	3,288,471	
529,638	144,924	135,452	169,405	150,866	136,021	
1,798,121	1,420,678	1,604,571	1,505,604	1,368,274	1,258,889	
407,554	411,292	359,332	316,599	276,781	380,936	
1,395,732	1,375,061	821,708	465,666	433,223	580,166	
296,144	225,104	272,397	289,772	190,209	221,561	
2,028,114	2,310,684	2,677,899	1,435,767	1,664,176	1,692,612	
674,109	989,707	894,975	652,004	608,553	597,094	
-	-	-	-	-	-	
-	-	-	-	-	-	
411,451	268,830	354,138	253,018	259,530	288,342	
14,053,966	13,380,212	12,085,836	11,609,160	10,445,660	11,448,895	
1,726,969	1,747,906	1,562,939	1,526,249	1,118,309	1,852,083	
132,662	121,675	102,607	86,456	103,185	114,566	
1,970,830	2,590,156	2,361,169	2,483,570	1,893,936	2,185,846	
200,816	196,712	162,414	199,705	182,537	191,002	
331,488	660,322	315,474	186,677	236,969	297,893	
370,648	829,540	369,580	387,066	379,298	399,462	
594,555	519,858	561,519	542,461	511,975	515,460	
-	-	-	-	-	-	
20,127,025	22,038,731	21,541,451	17,130,726	13,100,546	16,828,140	
467,536	562,411	513,370	480,886	485,044	467,806	
-	-	-	-	-	-	
2,911,996	3,077,274	2,952,837	3,121,687	2,303,975	2,494,244	
3,761,263	2,905,244	4,160,642	3,919,389	3,213,727	2,839,580	
470,325	478,620	425,064	363,719	353,596	396,750	
2,062,902	1,718,190	1,908,645	1,424,450	1,153,103	1,480,349	
8,988,078	8,597,388	4,916,962	3,726,873	2,249,291	2,783,756	
409,372	368,058	325,572	281,346	287,141	311,424	
7,125	8,197	11,342	7,616	17,496	17,889	
89,654	106,346	90,413	130,268	144,553	144,727	
803,718	672,838	777,370	684,139	598,117	617,270	
5,252,705	5,389,588	5,668,893	5,174,719	5,356,270	5,032,530	
48,004	37,546	12,931	23,660	77,429	106,083	
1,637,535	1,802,890	1,601,024	1,524,710	1,309,287	1,620,461	

Schedule of State and Estimated Income Taxes  
Reported by Local Government and Tax Year

Locality	State Income Taxes					
	TY 2006	TY 2005	TY 2004	TY 2003	TY 2002	TY 2001
Counties continued:						
Highland	\$ 123,177	\$ 151,716	\$ 219,493	\$ 124,912	\$ 70,065	\$ 76,045
Isle of Wight	1,083,846	1,138,646	928,865	754,339	620,472	504,463
James City	3,588,755	2,534,257	2,296,097	2,432,725	2,050,851	2,075,791
King & Queen	119,086	119,141	146,548	145,486	71,246	102,836
King George	835,086	1,301,216	798,641	689,456	546,185	447,653
King William	612,448	359,376	405,415	250,416	232,248	248,753
Lancaster	1,424,275	1,623,522	1,235,446	797,672	656,766	649,075
Lee	355,193	378,038	370,869	459,155	413,836	440,352
Loudoun	-	-	-	-	-	-
Louisa	750,536	825,230	716,032	566,766	568,268	468,968
Lunenburg	310,251	192,524	254,499	417,766	140,667	197,126
Madison	618,317	605,817	559,311	361,385	364,848	420,550
Mathews	749,891	555,857	585,632	405,648	419,771	433,374
Mecklenburg	1,073,736	868,735	824,976	813,395	751,511	744,985
Middlesex	613,514	683,938	673,387	862,884	569,669	431,419
Montgomery	2,931,245	2,405,734	2,101,534	1,814,219	1,772,558	1,937,743
Nelson	729,836	610,843	498,548	350,710	397,639	385,416
New Kent	-	-	-	-	-	-
Northampton	1,053,734	713,088	755,080	570,598	407,952	506,012
Northumberland	1,119,757	951,669	853,349	635,924	693,679	530,648
Nottoway	129,110	136,757	184,788	173,719	216,475	157,816
Orange	946,298	1,234,616	954,188	805,698	938,034	675,081
Page	669,974	646,828	502,975	431,327	387,539	600,923
Patrick	181,127	208,719	-	-	-	-
Pittsylvania	129,152	6,044	1,070,224	1,006,849	1,218,885	1,248,871
Powhatan	760,006	693,365	582,424	709,712	487,817	474,262
Prince Edward	236,305	225,170	254,331	224,759	160,056	244,019
Prince George	502,925	456,463	468,267	352,567	396,040	483,012
Prince William	-	-	-	-	-	-
Pulaski	905,220	627,907	636,004	576,499	514,029	719,870
Rappahannock	553,845	1,587,595	505,611	432,363	374,754	356,907
Richmond County	295,461	305,228	234,192	258,204	187,446	249,440
Roanoke County	2,498,046	1,803,239	1,648,695	1,331,307	1,793,085	1,728,624
Rockbridge	1,047,223	1,039,856	976,633	642,082	782,025	1,334,745
Rockingham	3,825,538	4,065,227	3,400,732	2,519,594	2,487,258	3,836,316
Russell	499,247	439,863	511,006	467,025	381,535	434,973
Scott	388,006	449,173	368,377	460,272	404,765	509,250
Shenandoah	-	-	-	-	-	-
Smyth	569,727	561,468	570,653	155,430	398,260	472,844
Southampton	320,312	305,251	199,926	315,499	390,670	376,429
Spotsylvania	3,881,734	4,069,681	3,157,451	2,541,312	2,486,511	2,590,432
Stafford	4,101,512	3,502,590	2,980,507	2,725,499	2,706,845	2,646,745
Surry	15,163	86,364	98,896	116,960	59,968	112,481

Estimated Income Taxes						
TY 2007	TY 2006	TY 2005	TY 2004	TY 2003	TY 2002	
\$ 233,096	\$ 478,390	\$ 235,489	\$ 103,438	\$ 185,831	\$ 182,147	
1,444,009	1,451,566	1,235,227	1,074,527	882,779	969,574	
9,210,528	8,005,554	7,309,278	5,934,758	6,267,183	5,534,593	
275,670	228,903	273,562	210,785	237,854	158,037	
1,556,768	1,736,053	1,463,682	1,325,510	1,057,263	1,104,853	
505,884	563,846	426,909	448,595	427,204	383,936	
2,848,319	2,376,116	2,452,642	2,086,006	1,782,082	1,798,406	
514,076	479,556	454,535	522,144	431,251	460,344	
-	-	-	-	-	-	
1,327,223	1,468,228	1,486,423	1,106,644	934,264	1,008,709	
361,833	205,757	478,371	810,665	482,931	557,541	
948,527	1,025,038	864,869	645,058	731,525	908,873	
1,277,288	1,158,819	1,568,693	1,139,001	914,780	892,000	
1,273,213	1,313,046	1,116,766	1,097,201	1,070,685	1,115,646	
1,610,275	1,258,622	1,454,198	1,395,635	1,111,419	1,114,636	
6,605,697	4,795,059	3,805,584	3,872,720	3,132,102	3,526,682	
1,344,748	1,139,525	920,079	782,343	787,294	743,442	
591,441	557,974	519,807	356,169	396,152	353,046	
1,056,612	1,783,837	1,258,363	917,026	698,941	844,011	
1,914,712	1,733,649	1,838,149	1,985,794	1,541,055	1,527,072	
326,820	305,407	383,516	363,677	401,062	420,145	
1,975,412	2,315,142	3,160,263	1,926,837	1,648,374	1,584,518	
1,143,924	1,117,062	868,912	617,013	611,269	725,963	
453,309	490,160	-	-	-	-	
2,590,379	2,357,455	2,339,017	2,195,798	2,010,620	2,254,977	
1,441,015	1,349,569	1,318,483	1,044,916	1,041,577	1,009,774	
548,425	510,740	533,967	500,793	434,241	447,979	
655,838	753,203	645,127	540,978	573,646	698,509	
-	-	-	-	-	-	
1,133,316	978,403	1,051,444	880,636	757,237	1,124,243	
1,391,057	1,054,917	1,105,518	942,398	901,080	861,750	
537,073	541,789	479,376	471,375	315,090	368,053	
6,027,886	5,184,439	4,727,707	3,984,686	3,695,503	4,674,484	
2,024,813	1,634,232	1,651,016	1,360,208	1,353,487	1,247,751	
6,688,137	6,052,336	5,602,520	4,980,710	4,613,380	4,940,705	
623,193	592,743	631,584	507,163	458,689	665,775	
600,335	599,015	575,947	571,002	454,505	480,187	
-	-	-	-	-	-	
1,331,240	1,072,027	1,009,114	120,615	707,202	1,084,768	
351,826	398,293	458,999	349,766	414,759	394,893	
6,682,503	8,647,143	7,360,505	5,968,435	4,474,877	4,621,011	
5,352,509	6,512,770	6,324,348	5,015,448	4,604,387	4,722,982	
127,904	95,228	107,181	109,413	115,819	479,957	

Schedule of State and Estimated Income Taxes  
Reported by Local Government and Tax Year

Locality	State Income Taxes					
	TY 2006	TY 2005	TY 2004	TY 2003	TY 2002	TY 2001
Counties continued:						
Sussex	\$ 122,814	\$ 127,600	\$ 123,530	\$ 105,408	\$ 105,171	\$ 99,099
Tazewell	1,544,787	1,341,276	1,407,810	1,195,554	1,155,804	1,535,615
Warren	1,031,787	1,114,821	860,824	697,383	847,625	795,694
Washington	1,957,898	2,067,241	1,550,496	1,536,291	1,425,148	1,461,676
Westmoreland	931,945	682,121	556,236	653,333	394,171	396,981
Wise	933,440	1,112,482	823,893	727,110	724,579	665,733
Wythe	494,413	451,020	414,016	353,347	389,954	723,628
York	<u>2,163,042</u>	<u>2,158,133</u>	<u>1,979,264</u>	<u>1,298,159</u>	<u>1,542,194</u>	<u>1,680,811</u>
	<u>\$ 145,285,497</u>	<u>\$ 141,643,085</u>	<u>\$ 124,740,232</u>	<u>\$ 106,218,410</u>	<u>\$ 97,369,673</u>	<u>\$ 109,745,200</u>

This schedule reflects the state income taxes and estimated income taxes collected by the local treasurers on a tax year basis by locality. It includes the last six full tax years covered by the Auditor of Public Accounts' most recently completed audits.

Treasurers process state income taxes separate from estimated taxes. Due to the nature of the tax, the flow of collections for these two taxes is different within the fiscal year period. The state income taxes are generally collected by the Treasurer from January through December of the year following the given tax year. The taxpayer files their return with the local Commissioner of the Revenue. The Commissioner is then responsible for the assessment of the tax and any applicable penalty and interest. The state income taxes for tax years 2001 through 2006 are reported on this schedule.

The Treasurer generally collects the estimated income taxes beginning in February of the tax year through March of the next year. The taxpayer files the declaration of estimated taxes with the Commissioner of the Revenue. The first estimated payment is often made and given to the Commissioner with the declaration. Then the taxpayer remits the remaining estimated income tax payments directly to the local Treasurer. This report includes the estimated income taxes for tax years 2002 through 2007.

Estimated Income Taxes						
TY 2007	TY 2006	TY 2005	TY 2004	TY 2003	TY 2002	
\$ 323,480	\$ 287,668	\$ 190,061	\$ 160,985	\$ 132,949	\$ 175,878	
3,703,203	3,184,899	3,000,178	2,682,817	2,396,493	2,679,941	
1,372,197	2,030,993	1,470,518	1,174,841	1,209,463	1,358,723	
5,370,958	4,487,867	5,742,939	3,479,508	2,641,175	3,210,075	
1,012,902	1,090,893	1,220,070	849,602	817,381	821,165	
1,162,620	1,630,087	1,269,533	1,028,234	799,417	783,648	
1,223,360	1,790,623	1,190,813	1,104,450	1,073,515	932,811	
<u>3,605,208</u>	<u>3,491,688</u>	<u>3,351,891</u>	<u>2,628,619</u>	<u>2,400,987</u>	<u>2,766,364</u>	
<u>\$ 300,000,079</u>	<u>\$ 289,937,582</u>	<u>\$ 272,235,431</u>	<u>\$ 237,217,983</u>	<u>\$ 203,449,549</u>	<u>\$ 220,228,878</u>	