



COUNTY OF ALBEMARLE
Department of Finance
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LATE PAYMENT PENALTY POLICY

DUE DATES: Personal property and real estate tax payments must be received or postmarked by June 5 for the first installment and by December 5 for the second installment. Except as noted below, late payment penalty is required by law for all untimely payments (Code of Virginia § 58.1-3916). The United States Post Office postmark, not a postal meter stamp, is the official and final postmark. If the Post Office postmark conflicts with a postal meter stamp, the Post Office postmark will be used (1985-86 Report of the Attorney General 295, July 9, 1985).

LATE PAYMENT PENALTY AND INTEREST: The late payment penalty is 10% of the unpaid balance if payment is received after the due date (Albemarle County Code § 15-100 (D)). Interest at the rate of ten percent (10%) per annum shall apply on all taxes and penalties commencing the first day of the month following the month in which such taxes are due and continuing until paid. (Albemarle County Code § 15-100 (E)).

Penalty and interest cannot be waived under the following circumstances:

- Because the taxpayer misread the deadline on the tax bill (1987-88 Report of the Atty. Gen. 559, August 22, 1988);
- Because the bill was mailed to the wrong address (1970-71 Report of the Atty. Gen. 373, March 31, 1971);
- Because the taxpayer did not receive a bill (1981-82 Report of the Atty. Gen. 393, March 25, 1982);
- Because the bill was incorrect (except late payment penalty will be exonerated to the extent it exceeds the amount of penalty calculable on a corrected assessment) (1986-87 Report of the Atty. Gen. 321, July 31, 1986);
- Taxpayers have a duty to know due dates and to pay on time. If no bill is received that duty includes contacting the taxing authority prior to the due date and paying on time (1981-82 Report of the Atty. Gen. 393, March 25, 1982).

Penalty and interest can be waived under the following circumstances:

- Late payment penalty and interest may be waived if the lateness was due to a medically determinable physical or mental impairment on the due date, provided payment is made within 30 days of the due date.
- Penalty and interest may also be waived if the Finance Director abates the underlying tax or certifies that the taxpayer was not assessed in a timely manner due to a clerical error by the Finance staff or if the late payment was due solely to the fault of the Finance Department.
- In the event a transfer of real property ownership occurs after January 1 of a tax year and a real estate tax bill has been mailed pursuant to § 58.1-3281 and § 58.1-3912, the Finance Director, upon ascertaining that a property transfer has occurred, may invalidate a bill sent to the prior owner and reissue the bill to the new owner as permitted by § 58.1-3912, and no penalty for failure to pay any tax for any such assessment shall be imposed if the tax is paid within two weeks after the notice thereof is mailed (§ 58.1-3916).
- Other reasons as provided in § 58.1-3916.