



GUIDE TO ESTABLISHING A BUSINESS 2015-2016



**VIRGINIA ECONOMIC
DEVELOPMENT PARTNERSHIP**

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Introduction

The Virginia Guide to Establishing a Business summarizes the major state and local tax, labor, occupational and environmental regulations that may affect businesses in Virginia. The Guide cannot substitute for the legal, financial and other professional advice required when establishing or enlarging a business.

While every effort has been made to ensure that the information included in the Guide is accurate, businesses are urged to consult with the agencies listed in this publication and with private counsel before proceeding to establish a business in Virginia.

The Virginia Economic Development Partnership thanks the agencies listed in this publication for their assistance in developing the Guide.

Establishing a Business

Virginia Economic Development Partnership

The Virginia Economic Development Partnership (VEDP) promotes Virginia as a location for new domestic and international business facility locations and existing facility expansions within the Commonwealth.

The Partnership provides comprehensive information on available sites and buildings, labor and wages, industrial training programs, state and local taxes, utilities, transportation services, financial services, environmental factors, laws and regulations, general business conditions and quality of life throughout Virginia.

The Partnership's services are available free of charge, and business inquiries remain strictly confidential. A representative will work with a company from the initial inquiry until the project is in operation in Virginia.

For assistance in securing an advantageous location in Virginia and for guidance through the governmental requirements to begin or expand an operation, please contact:

Virginia Economic Development Partnership
Post Office Box 798
Richmond, Virginia 23218-0798
(804) 545-5600
info@YesVirginia.org
<http://www.YesVirginia.org>

Virginia Department of Small Business & Supplier Diversity

The mission of the Department of Small Business and Supplier Diversity is to promote economic growth by helping Virginia businesses prosper and to enhance and ensure fairness in the procurement process for all of Virginia's small, women-owned and minority-owned businesses. The Department has several key statutory responsibilities and missions which include :

- 1) increasing the number of certified small, women-owned and minority-owned businesses available in the procurement process for state agencies, local governments, colleges and universities and the private sector
- 2) ensuring fairness and equal opportunity for underutilized businesses,
- 3) monitoring the state's expenditure performance with small, women-owned and minority-owned businesses and providing guidance to state agencies regarding enhancing opportunities for underutilized businesses;
- 4) managing the federal Disadvantaged Business Enterprise program for the United States Department of Transportation which provides funding to Virginia's transportation agencies;
- 5) providing educational and technical training to certified businesses for growth and development and job creation;
- 6) providing credit to small businesses to meet the challenges of short term capital needs and
- 7) providing incentives to expand workforce development and training.

For additional information on how DBA can help your businesses, visit <http://www.sbsd.virginia.gov> or contact:

Virginia Department of Small Business & Supplier Diversity
1111 East Main Street, Suite 300
Richmond, Virginia 23219
(804) 371-0438
VBIC@vdba.virginia.gov
<http://www.sbsd.virginia.gov>

Establishing a Business

Incorporating in Virginia

A person choosing to incorporate in Virginia must file articles of incorporation with the State Corporation Commission and pay the required charter and filing fees. After the articles are filed, the incorporators or the initial directors, if they are named in the articles, must hold a meeting to complete the organization of the corporation.

Virginia's corporation laws protect directors from liability for discharging their duties in accordance with their good-faith business judgment, expand managerial discretion, authorize anti-takeover measures and provide some protections for minority and dissenting shareholders.

Domesticating in Virginia

A corporation incorporated under the laws of a jurisdiction other than Virginia may become a Virginia corporation if this is allowed under the laws of the foreign jurisdiction. To become a Virginia corporation, the foreign corporation files with the State Corporation Commission articles of domestication with Virginia articles of incorporation attached. The company also has to pay the required charter and filing fees.

Authority to Transact Business in Virginia

Before transacting business in Virginia, a corporation incorporated under the laws of a jurisdiction other than Virginia must complete an application for a Certificate of Authority to Transact Business in Virginia, and file it with the State Corporation Commission. The application must be accompanied by a duly authenticated copy of the corporation's certificate or articles of incorporation, including all amendments, recently issued by the Secretary of State or other public official having custody of corporate records in the state or other jurisdiction under whose laws the corporation is organized. The corporation pays an entrance fee and a filing fee.

Annual Registration

The annual registration fee for a stock corporation, whether incorporated in Virginia or in another jurisdiction, is based on the number of authorized shares of stock shown in the charter on file in the Clerk's Office of the State Corporation Commission. The fee is assessed by the State Corporation Commission two months prior to the month in which the corporation was incorporated or authorized to transact business in Virginia.

Corporations not authorized to issue shares (nonstock corporations) pay an annual registration fee (currently \$25) unless they incorporated before 1970 and were not subject to the annual fee at that time. The annual registration fee is paid to the State Corporation Commission. In addition, both foreign and domestic stock and nonstock corporations are required to file an annual report with the State Corporation Commission.

For additional information about incorporating in Virginia, obtaining a certificate of authority to transact business in Virginia, or annual registration fees and annual reports, please contact:

State Corporation Commission
Clerk's Office
Post Office Box 1197
Richmond, Virginia 23218-1197
(804) 371-9733; 1-866-722-2551 (toll-free in Virginia)
<http://www.scc.virginia.gov/clk/index.aspx>

Establishing a Business

Unincorporated Entity Registration

Limited Liability Companies

A limited liability company is an unincorporated organization which may be treated as a partnership for tax purposes and which provides its members with limited liability similar to that available to shareholders of a Virginia stock corporation.

A Virginia limited liability company is formed by filing articles of organization with the State Corporation Commission and paying a filing fee. A limited liability company organized under the laws of a jurisdiction other than Virginia may, if permitted by the laws of its jurisdiction of formation, become a Virginia limited liability company by domesticating in Virginia.

Before transacting business in Virginia, a limited liability company organized under the laws of a jurisdiction other than Virginia must complete an application for a Certificate of Registration to Transact Business in Virginia and file it with the State Corporation Commission. The application must be accompanied by a certified copy of the company's articles of organization, including all amendments, duly authenticated by the Secretary of State or other official having custody of limited liability company records in the state or other jurisdiction of its formation. There is a filing fee for filing an application for registration.

Domestic and foreign limited liability companies pay an annual registration fee (currently \$50) which is assessed by the State Corporation Commission two months prior to the month of formation or registration to do business in Virginia.

Business Trusts

Business trusts are unincorporated businesses, trusts, or associations governed by a governing instrument that provides for the property or activities of the business trust to be owned, managed or carried on by at least one trustee for the benefit of at least one beneficial owner. The beneficial owners are normally entitled to the same limitation of personal liability as are shareholders of a Virginia stock corporation.

A Virginia business trust is formed by filing articles of trust with the State Corporation Commission and paying a filing fee.

Before transacting business in Virginia, a business trust organized under the laws of a jurisdiction other than Virginia must complete an application for a Certificate of Registration to Transact Business in Virginia and file it with the State Corporation Commission. The application must be accompanied by a certified copy of the business trust's articles of trust or other constituent documents, including all amendments, duly authenticated by the Secretary of State or other official having custody of business trust records in the state or other jurisdiction of its formation. There is a filing fee for filing an application for registration.

Domestic and foreign business trusts pay an annual registration fee (currently \$50) which is assessed by the State Corporation Commission on July 1 of each year.

Limited Partnerships

A limited partnership is a partnership formed by two or more persons and having at least one general partner and one limited partner. General partners retain control over the management of the limited partnership and are liable for all debts. Limited partners invest money or property in the business and are entitled to share in the profits. The limited partners' liability is limited to the extent of their investment.

A Virginia limited partnership is created by filing a certificate of limited partnership with the State Corporation Commission and paying a filing fee.

Before transacting business in Virginia, a limited partnership organized under the laws of a jurisdiction other than Virginia must complete an application for a Certificate of Registration to Transact Business in Virginia and file it with the State Corporation Commission. The application must be accompanied by a certified copy of the limited partnership's certificate of limited partnership, including all amendments, duly authenticated by the Secretary of State or other official having custody of limited partnership records in the state or other jurisdiction of its formation. There is a fee associated with filing an application for registration.

Domestic and foreign limited partnerships pay an annual registration fee (currently \$50) which is assessed by the State Corporation Commission on July 1 of each year.

Establishing a Business

General Partnerships

A general partnership (sometimes simply referred to as “a partnership”) is an association of two or more persons who join together to carry on a business for profit. Each partner contributes money, property, labor and/or skills, and agrees to share in the profits or losses of the business. General partnerships are not required to register with the State Corporation Commission unless they seek to register as a limited liability partnership.

Domestic and foreign general partnerships are permitted to file with the State Corporation Commission statements of partnership authority, and other specified statements. A statement of partnership authority is effective for five years unless earlier cancelled. There is a filing fee for filing any statement or an amendment to any statement.

Limited Liability Partnerships

Both limited partnerships and general partnerships may register for status as a limited liability partnership by filing a statement of registration as a registered limited liability partnership with the State Corporation Commission and paying the filing fee.

Before transacting business in Virginia, a registered limited liability partnership organized under the laws of a jurisdiction other than Virginia must complete a Statement of Registration as a Foreign Registered Limited Liability Partnership and file it with the State Corporation Commission. The statement must be accompanied by a certificate of status indicating the foreign partnership’s status as a registered limited liability partnership, executed by the Secretary of State or other official having custody of registered limited liability partnership records in the state or other jurisdiction of its formation. There is a filing fee for filing a statement of registration as a foreign limited liability partnership.

Both foreign and domestic registered limited liability partnerships file an annual continuation report and pay a filing fee (currently \$50) which are due by July 1 of each year.

Sole Proprietors

Sole proprietors are not required to file with the State Corporation Commission.

For additional information about any of the foregoing transactions or filing requirements, please contact:

State Corporation Commission
Clerk’s Office
Post Office Box 1197
Richmond, Virginia 23218-1197
(804) 371-9733; 1-866-722-2551 (toll-free in Virginia)
<http://www.scc.virginia.gov/clk/index.aspx>

Establishing a Business

Assumed (“Trade”) Names

Any person, partnership, limited liability company or corporation may transact business under a name that is not his, her or its real name. To do so, an assumed or fictitious name certificate must be filed with the clerk of circuit court of the county or city where the business will be transacted. If a corporation, limited liability company or limited partnership files an assumed name certificate, an attested copy must be filed in the Clerk’s Office of the State Corporation Commission. Minor filing fees are associated with the certificate and attested copy.

For additional information, please contact the circuit court of the jurisdiction(s) in which the business operates.

Securities & Investment Advisor Registration

Securities, and persons offering or selling securities, must be registered with the Division of Securities and Retail Franchising of the State Corporation Commission or the securities or transactions must be exempt under the Virginia Securities Act before they may be offered or sold in Virginia. Investment advisers and investment adviser representatives must also be registered with the SCC’s Division of Securities and Retail Franchising before transacting business in Virginia.

Franchise Registration

Franchises must be registered with the Division of Securities and Retail Franchising of the State Corporation Commission before they may be offered or sold in Virginia.

Trademark & Service Mark Registration

Any person who owns and uses a trademark or service mark in Virginia may file an application for registration of the mark with the Division of Securities and Retail Franchising of the State Corporation Commission. Application forms are available from the SCC’s Division of Securities and Retail Franchising. There is a nonrefundable application fee.

For rules, forms, and any additional information regarding security, franchise or trademark/service mark registration, please contact:

State Corporation Commission
Division of Securities and Retail Franchising
Post Office Box 1197
Richmond, Virginia 23218-1197
(804) 371-9051, 1-800-552-7945 (toll-free in Virginia)
<http://www.scc.virginia.gov/srf/index.aspx>

State & Local Taxes

Business Taxes

Virginia has a fair tax structure, with all companies paying the same taxes regardless of location of incorporation. The state has not raised its corporate income tax rate since 1972. Prior to 1972, the income tax rate remained the same for 25 years.

In Virginia, items taxed at the state level are not taxed at the local level. The exception is the sales and use tax, which has both state and local components. The tax, however, is administered uniformly by the Department of Taxation.

Virginia's major state taxes include the corporate income tax and the sales and use tax. The major local taxes include the real estate tax, the machinery and tools tax and the tangible personal property tax. Many communities levy a modest consumer's tax on utility purchases.

Virginia differs from most states in that its counties and cities are separate taxing entities. A company pays either county or city taxes depending on its location. If it is located within the corporate limits of a town, it is subject to town taxes in addition to county levies.

For more detailed information about Virginia's local taxes, consult The Virginia Guide to Local Taxes on Business at: http://www.virginiaallies.org/assets/files/publications/local_taxes_guide.pdf.

Registration

All companies doing business in Virginia must register with the Virginia Department of Taxation for all taxes that may apply to the operation of the business. All corporations and partnerships must obtain a Federal Employer Identification Number (FEIN) from the Internal Revenue Service to use as a taxpayer identification number. Sole proprietors also must obtain a FEIN if they pay wages to one or more employees or if they file an excise tax return.

Corporate Income Tax

All domestic corporations and foreign corporations registered with the State Corporation Commission must file a corporate income tax return with the Virginia Department of Taxation. The tax rate is six percent of federal taxable income, with modifications if applicable, such as adding to federal taxable income any state or local taxes that were subtracted out in computing federal taxable income. The federal income tax is not deductible. Virginia generally conforms to the federal Modified Accelerated Cost Recovery System (MACRS); however, it disallows federal income tax deductions for bonus depreciation allowed for certain assets under Internal Revenue Code ("IRC") §§ 168(k), 168(l), 168(m), 1400L, and 1400N.

Corporations that are not organized or conducted for pecuniary profit and that are exempt from income taxes under Section 501(c) of the Internal Revenue Code are taxed on unrelated business taxable income.

A corporation's income tax is calculated based on its activities in Virginia and in other states. If the entire business of a corporation is transacted or conducted in Virginia, the tax rate is equal to 6 percent of the entire income with minor modifications. If the corporation participates in multistate activities and its income is taxable by both Virginia and other states, Virginia permits the corporation to allocate and apportion income among Virginia and other states in order to determine equitable tax.

Income that is allocable is assigned to the state where the taxpaying corporation's central operations are located—also known as the corporation's commercial domicile. If the allocable income is assigned to Virginia, it is subject to the state corporate income tax. Virginia generally includes only dividends in this allocable portion—dividends received from companies in which the taxpayer owns less than 50 percent of the voting stock. All other income is considered apportionable.

To further enhance Virginia's favorable tax treatment, the corporate apportionment formula was amended during the 2009 General Assembly session to allow manufacturing companies to elect to use a single factor apportionment based on sales to determine their Virginia taxable income. This modification was phased in over several years; for taxable years beginning on or after July 1, 2013, but before July 1, 2014, a quadruple-weighted sales factor may be used; and for taxable years beginning on or after July 1, 2014, and thereafter, the single sales factor method is available.

State & Local Taxes

Additionally, the corporate apportionment formula was recently amended to require retail companies to use a single sales factor to determine their Virginia taxable income. Similar to the modification for manufacturing companies, the modification for retail companies will be phased in over several years. For taxable years beginning on or after July 1, 2012 but before July 1, 2014, retail companies are required to use a triple-weighted sales factor. For taxable years beginning on or after July 1, 2014, but before July 1, 2015, retail companies must use a quadruple-weighted sales factor. Retail companies must then use the single sales factor method for taxable years beginning on and after July 1, 2015.

For all other companies, Virginia generally uses a three-factor apportionment formula with a double-weighted sales factor. Under this formula, the sales factor is weighted 50 percent and the payroll and property factors are 25 percent each in determining the overall corporate income apportionment factor. In general, double weighting the sales factor benefits corporations with significant Virginia property and payroll.

- The property factor is computed by dividing the average value of real and tangible personal property owned or rented and used by the corporation in Virginia during the tax period by the average value of real and tangible personal property owned or rented and used by the corporation everywhere. Property owned by the corporation is valued at its original cost plus the cost of additions and improvements. Property rented by the corporation is valued at eight times the net annual rental rate. The average value of property is determined either by averaging the value at the beginning and end of the tax period or by averaging monthly values during the tax period.
- The payroll factor is computed by dividing the total payroll of the corporation in Virginia during the tax period by the total payroll of the corporation everywhere.
- The sales factor is computed by dividing the sales of the corporation in Virginia during the tax period by the total sales of the corporation everywhere. Virginia sales are defined as sales by the corporation that physically end up in Virginia, i.e., those sales with a true destination in Virginia, regardless of whether or not the product originated in Virginia.

The ratios of the three factors are averaged, and the corporation's apportionable income is multiplied by this percentage to obtain the amount of apportionable income taxable in Virginia. The income apportioned to Virginia is then added to the income allocated to Virginia, and a six percent tax is paid on this amount.

To learn more about Virginia's corporate income tax, please contact:

Virginia Department of Taxation
Post Office Box 1115
Richmond, Virginia 23218-1115
(804) 367-8037
<http://www.tax.virginia.gov>

State & Local Taxes

Virginia allows the following credits against the corporate income tax:

Major Business Facility Job Tax Credit

Credits for new job creation are available statewide for qualifying companies. Companies reaching certain employment thresholds will receive a \$1,000 credit for each qualifying job in excess of the threshold. The credit is generally allowed ratably in one-third increments over three taxable years beginning with the credit year. However, for taxable years beginning January 1, 2009, one-half of the credit amount is allowed each year for two years. The allowable credit may not exceed the tax liability. Unused credits may be carried forward for ten years. The employment threshold for companies locating in enterprise zones or economically distressed areas is 25 net, new, full-time jobs. For all other areas of the state, the threshold is 50 jobs. Credits are available for taxable years before January 1, 2020.

Day Care Investment Tax Credit

Businesses may claim a tax credit equal to 25 percent of all expenditures incurred by a business for planning, site preparation, construction, renovation, acquisition of facilities or permanent equipment installed for the purpose of providing day care to be used primarily by the children of the business' employees. The maximum credit allowed to any one taxpayer is \$25,000. Any credit not usable for the taxable year may be carried over to the extent usable for the next three years. The Virginia Tax Commissioner at the Department of Taxation approves applications for this program.

Worker Retraining Tax Credit

For taxable years beginning on and after January 1, 1999, but prior to January 1, 2018, Virginia employers are eligible to receive an income tax credit equal to 30 percent of all expenditures made by the employer for eligible worker retraining. The credit has a statewide spending cap of \$2.5 million in any taxable year. Eligible worker retraining consists of noncredit courses at Virginia community colleges or private schools certified by the Department of Business Assistance (or by the Department of Small Business and Supplier Diversity, effective January 1, 2014), or retraining programs through apprenticeship agreements approved by the Virginia Apprenticeship Council.

For taxable years beginning prior to January 1, 2013, if the eligible worker retraining consists of courses conducted at a private school, the credit cannot exceed \$100 per qualified employee annually. For taxable years beginning on or after January 1, 2013, if the eligible worker retraining consists of courses conducted at a private school, the credit cannot exceed \$200 per qualified employee annually or \$300 per qualified employee annually if the eligible worker retraining includes a STEM or STEAM discipline. A STEM or STEAM discipline is defined as a science, technology, engineering, mathematics, or applied mathematics related discipline as determined by the Department of Business Assistance and includes a health care related discipline.

Recycling Equipment Tax Credit

Effective for taxable years before January 1, 2020, manufacturers may claim a corporate income tax credit equal to 20 percent of the purchase price paid during the taxable year for certified machinery and equipment for processing tangible personal property from recyclable materials. Taxpayers can use the original total capitalized cost of the machinery and equipment, less capitalized interest, to determine "purchase price paid." The total credit allowed in any taxable year may not exceed 40 percent of the taxpayer's Virginia income tax liability. Unused credits may be carried forward ten years. The Virginia Department of Environmental Quality certifies that equipment is integral to the recycling process. Beginning with credits allowable for taxable year 2015, the credit has a statewide spending cap of \$2 million in any fiscal year of the Commonwealth.

State & Local Taxes

Green Job Creation Tax Credit

Credits for new job creation are available statewide for qualifying companies. For taxable years beginning on or after January 1, 2010, but before January 1, 2018, companies creating new “green” jobs paying an annual salary of at least \$50,000 are eligible for a \$500 tax credit per job. In order to qualify for the tax credit, the employer must have created the green job and filled it during the taxable year in which the credit is claimed. The credit is allowed for the taxable year in which the job has been filled for at least one year and for each of the four succeeding taxable years, provided the job is continuously filled during the respective taxable year. The Bureau of Labor Statistics Green Jobs Definition is used to determine eligibility. Each taxpayer is allowed a credit for up to 350 new green jobs. Companies that have applied for a Major Business Facility Job Tax Credit cannot apply for the Green Job Creation Tax Credit for the same jobs.

International Trade Facility Tax Credit

For taxable years beginning on and after January 1, 2011, but before January 1, 2017, a tax credit is allowed for either capital investment in an international trade facility (ITF) or increasing jobs related to an international trade facility. To qualify, an ITF must show at least a 5 percent increase in shipments through Virginia Port Authority ports in Virginia. The amount of the credit is equal to either \$3,500 per new qualified full-time job that results from increased qualified trade activities or 2 percent of the amount of capital investment to facilitate the increased qualified trade activities.

A qualified company that claims jobs for the Major Business Facility Job Tax Credit or the International Trade Facility Tax Credit cannot receive a Port of Virginia Economic and Infrastructure Development Zone Grant (POV Zone Grant) for those previously claimed jobs. No more than \$1,250,000 in tax credits can be issued in any fiscal year. If the amount of tax credits requested exceeds \$1,250,000, the credits will be allocated proportionately. The amount of the credit allowed shall not exceed 50 percent of the tax imposed for the taxable year. Any unused credit amount can be carried forward for ten years.

Research and Development Expenses Tax Credit

A tax credit is allowed for businesses for qualified research and development expenses. For taxable years beginning on or after January 1, 2011, but before January 1, 2019, the tax credit amounts are (i) 15 percent of the first \$234,000 in Virginia qualified research and development expenses paid or incurred during the taxable year, or (ii) 20 percent of the first \$234,000 of Virginia qualified research and development expenses paid or incurred in the taxable year if the research was conducted in conjunction with a Virginia public or private college or university, to the extent the expenses exceed a base amount. If there is remaining funding, taxpayers may also receive a second credit allocation of up to 15% of the second \$234,000 of Virginia qualified research and development expenses paid (20% of such expenses if research is conducted in conjunction with a Virginia public or private college or university). There is a \$6 million cap on the total amount of credits allowed in any fiscal year. If the cumulative amount of tax credits requested by qualifying taxpayers exceeds \$6 million for the year, the credits will be prorated.

Barge and Rail Usage Tax Credit

For taxable years beginning on and after January 1, 2011, but before January 1, 2017, International Trade Facilities (as defined for purposes of the Barge and Rail Usage Tax Credit) may receive tax credits for cargo moved by barge or rail rather than trucks or other motor vehicles on the Commonwealth’s highways. The amount of the credit is \$25 per 20-foot equivalent unit (TEU), 16 tons of noncontainerized cargo, or one unit of roll-on/roll-off cargo moved by barge or rail rather than by trucks or motor vehicles on Virginia’s highways. No more than \$500,000 in tax credits can be issued in any fiscal year. If the cumulative amount of tax credits requested by qualifying taxpayers exceeds \$500,000 for the year, the credits will be prorated. Any unused tax credits may be carried over for 5 taxable years.

State & Local Taxes

Port Volume Increase Tax Credit

A tax credit is allowed for a qualifying agricultural, manufacturing-related (manufacturer or distributor of manufactured goods) or mineral and gas business that uses port facilities in the Commonwealth and increases its port cargo volume by a minimum of 5 percent in a single calendar year over its base year port volume at these facilities. Credits are available for taxable years beginning January 1, 2011 but before January 1, 2017. Base year cargo volume must be at least 75 net tons of non-containerized cargo, ten loaded 20-ft equivalent units (TEUs), or ten units of roll-on/roll-off cargo. The credit cap is \$3.2 million per calendar year. If, on March 15 of each year, the cumulative amount of tax credits requested by qualifying taxpayers for the prior year exceeds \$3.2 million, the credits will be prorated. Businesses are generally not permitted to receive more than \$250,000 for each calendar year.

State Business Taxes Imposed in Lieu of Corporate Income Tax

Public service corporations (other than electric suppliers, gas utilities and gas suppliers, pipeline distribution companies, transportation companies operating as common carriers, and telecommunications companies) are subject to a gross receipts tax.

Insurance companies are subject to a license tax on direct gross premium income.

State and national banks are subject to a franchise tax based on net capital.

Electing small business corporations (S corporations) are exempt from the Virginia corporate income tax. Individual shareholders report their income on their personal income tax returns.

To the extent that limited liability companies are treated as partnerships for federal income tax purposes, they are similarly treated for Virginia income tax purposes. Members holding interest in the company must report any income on their personal income tax returns.

Partnerships are exempt from the Virginia corporate income tax. Individual partners report their income on their personal income tax return. Effective for taxable years beginning on and after January 1, 2004, partnerships and other pass-through entities are required to file information returns with the Department of Taxation.

Sole proprietors must report their business income on their personal income tax returns.

For additional information, please contact:

Virginia Department of Taxation
Office of Customer Services
Post Office Box 1115
Richmond, Virginia 23218-1115
(804) 367-8037
<http://www.tax.virginia.gov>

State & Local Taxes

Sales and Use Tax

The sales and use tax, which has state and local components, is administered in a uniform manner by the Department of Taxation across Virginia. The combined state and local Virginia Retail Sales and Use Tax rate is 5.3 percent (4.3 percent state and 1.0 percent local). Effective July 1, 2013, a new additional state Retail Sales and Use Tax is imposed in the Northern Virginia and Hampton Roads regions at the rate of 0.7 percent, and the total rate of the state and local Retail Sales and Use Tax is 6 percent in localities that fall within these regions (4.3 percent state, 0.7 percent regional, and 1 percent local). The Northern Virginia region includes the Counties of Arlington, Fairfax, Loudoun, and Prince William and the Cities of Alexandria, Fairfax, Falls Church, Manassas, and Manassas Park. The Hampton Roads region includes the Counties of Isle of Wight, James City, Southampton, and York and the Cities of Chesapeake, Franklin, Hampton, Newport News, Norfolk, Poquoson, Portsmouth, Suffolk, Virginia Beach, and Williamsburg.

A seller is subject to a sales tax imposed on gross receipts derived from retail sales or leases of taxable tangible personal property unless the retail sales or leases are specifically exempt by law. When a seller does not collect the sales tax from the purchaser, the purchaser is required to pay a use tax on the purchase unless the use of the property is exempt.

Some important exemptions for manufacturers, distributors and other businesses include:

- Industrial materials that either enter into the production of or become a component part of a finished product for resale
- Industrial materials that are coated upon or impregnated into the product at any stage of its manufacture or processing
- Machinery, tools, repair parts, fuel, power, energy or supplies used directly in manufacturing or processing products for sale or resale
- Materials, containers, labels, sacks, cans, boxes, drums or bags for packaging tangible personal property for shipment or sale
- Distributors do not pay the tax on items purchased for resale
- Tangible personal property delivered outside the Commonwealth for use or consumption outside the Commonwealth
- Tangible personal property delivered to a factor or export agent for foreign export
- Tangible personal property purchased for use directly and exclusively in basic research or research and development in the experimental or laboratory sense
- Charges for planning, creating or placing advertising in newspapers, magazines, billboards, broadcasting or other media, including providing concept, writing, graphic design, mechanical art, photography and production supervision
- Equipment, printing or supplies used directly to produce any publication issued daily or regularly at intervals not exceeding three months
- Any publication issued daily or regularly at average intervals not exceeding three months and advertising inserts or supplements and other printed matter distributed with or as part of a newspaper or other nontaxable publication (except that newsstand sales of the same are taxable)
- Custom computer software and separately stated labor charges for modifying prewritten computer programs
- Broadcasting equipment, commercial radio and television towers used or to be used by commercial radio and television companies, wired or land based cable television systems, common carriers or video programmers using video systems provided by telephone common carriers
- Gas, electricity or water delivered to consumers through mains, lines or pipes
- Any fuel used directly in manufacturing, processing, refining or converting in an industrial sense, as well as any fuel used directly and exclusively in basic research or research and development in the experimental or laboratory sense
- Certified pollution control equipment and facilities used primarily for the purpose of abating or preventing air or water pollution
- Purchases used directly and exclusively in activities performed in cooperation with the Virginia Commercial Space Flight Authority

State & Local Taxes

Intangible Personal Property Tax

Intangible personal property is reserved for state taxation. It includes stocks, bonds, money and certain items that usually are not defined as intangible. In 1984, the Virginia General Assembly exempted intangible personal property from taxation by making the tax rate zero. Therefore, the following items are not taxed at either the state or local level.

- Inventory, including all materials used in a business (except inventory of merchants). The capital of merchants, however, is taxed at the local level in some localities
- Tangible personal property used in manufacturing, mining, radio or television broadcasting, dairy, dry cleaning or laundry businesses (except machinery and tools, motor vehicles and delivery equipment)
- Office furniture, fixtures, computer equipment and aircraft of a manufacturer's corporate headquarters, regional offices or research and development facilities located in Virginia, even if their entire manufacturing operations are conducted outside of Virginia
- Computer application software (defined as computer instructions, in any form, designed to be read by a computer and to enable it to perform specific operations with data or information stored by the computer)
- Money
- Bonds, notes and other evidences of debts, demands and claims
- Shares of stock
- Accounts receivable
- Merchandise within a Virginia foreign trade zone
- Capital used in the commercial fishing business to harvest or catch fish. Fishing vessels, however, are classified as tangible personal property

Other State Taxes

The following business taxes also may apply:

- Aircraft and Watercraft Sales and Use Tax
- Beer and Wine Cooler Excise Tax
- Cigarette Tax
- Forest Products Tax
- Litter Tax
- Miscellaneous Commodities Taxes
- Soft Drink Excise Tax
- Tire Recycling Fee
- Wine Liter Tax

Companies may contact the Virginia Department of Taxation for additional information about state taxes:

Virginia Department of Taxation
Office of Customer Services
Post Office Box 1115
Richmond, Virginia 23218-1115
(804) 367-8037

<http://www.tax.virginia.gov>

State & Local Taxes

Real Estate Tax

Real estate in Virginia is assessed at the local level based on 100 percent of fair market value. Because of rising real estate values and periodic reassessments by localities, actual assessment ratios usually are lower than 100 percent.

The average effective tax rate on real estate (assessment ratio times nominal tax rate) ranged from a low of \$0.38 per \$100 of fair market value in a rural county in 2015 to a high of \$1.42 per \$100 in a Virginia city. The average effective tax rate for all cities and counties in the state was \$0.76 per \$100 in 2015.

Real Estate Tax Exemptions

Localities may offer the following real estate tax exemptions:

- Localities have the option of exempting or partially exempting certified pollution control facilities, certified solar energy facilities, and energy-efficient buildings from real property taxes.
- Localities also may give a partial exemption from taxation for up to 15 years for qualifying real estate that has been substantially rehabilitated for commercial or industrial use. To qualify, a structure has to be at least 20 years of age (or 15 years of age in an enterprise zone).

State & Local Taxes

Tangible Personal Property Tax

Tangible personal property is taxed at the local level in Virginia. The tax is based on a percentage or percentages of original cost. Tangible personal property includes, but is not limited to, companies' machinery and equipment; office equipment, furniture and fixtures of nonmanufacturing businesses; trucks and automobiles; equipment used in research and development; certain computer hardware; and all tangible property used in a business unless specifically exempted. Certain machinery and tools are subject to a special machinery and tools tax and are not subject to the general personal property tax.

As described in greater detail on page 12, the tangible personal property tax does not apply to items classified as intangible personal property at the state level.

Several categories of tangible personal property are segregated for taxation at assessment ratios and rates that may be below that of other tangible personal property.

Computer Equipment. Localities may establish a separate class of tangible personal property for computer equipment used in businesses and tax it differently from other tangible personal property.

Aircraft. Localities may establish a separate class of tangible personal property for aircraft and flight simulators and levy a tax on it at a rate equal to or less than the rate on other tangible personal property.

Heavy Construction Machinery. Localities also may establish a separate class of tangible personal property for heavy construction machinery and levy a tax on it at a rate equal to or less than the tax rate on other tangible personal property.

Research and Development Businesses. Localities may separately classify tangible personal property used in a research and development business and assess and tax it at a level not to exceed that applicable to machinery and tools.

Biotechnology Businesses. Localities may separately classify equipment used for certain research, development, production or provision of biotechnology for the purpose of developing or providing products or processes for specific commercial or public purposes and assess and tax it at a level not to exceed that applicable to machinery and tools.

Motor Carriers. Localities may establish a separate class of tangible personal property for interstate motor carrier vehicles, trailers and semi-trailers with a gross vehicle weight of 10,000 pounds or more, and levy a tax on it at a rate no higher than the locality taxes machinery and tools.

Energy Generating and Cogeneration Equipment. Localities may separately classify generating equipment purchased to convert the energy source of a manufacturing plant from oil or natural gas to an alternative energy source and cogeneration equipment purchased to increase energy efficiency, and tax them at a different rate from other tangible personal property, provided the assessment ratio and the rate of tax do not exceed that applicable to machinery and tools. Such generating and cogeneration equipment shall include that of firms engaged in the business of generating electricity or steam or both.

Machinery and Tools Used in Semiconductor Manufacturing. These may be separately classified for local taxation. Localities may tax this property at rates and assessment ratios lower than other machinery and tools.

Trucks and Automobiles. Localities assess trucks and automobiles of manufacturing and nonmanufacturing companies as tangible personal property.

Automobiles that are registered with the Virginia Department of Motor Vehicles are valued by means of a recognized pricing guide. If the model and year of the vehicle are not listed in the pricing guide, the value is based on a percentage or percentages of original cost. The commissioner of revenue may select another method to establish the fair market value of the automobile if the percentage or percentages of original cost do not accurately reflect the fair market value.

Motor vehicles and delivery equipment that are not registered with the Department of Motor Vehicles are taxed as machinery and tools.

State & Local Taxes

Machinery and Tools. Machinery and tools used in manufacturing, mining, processing or reprocessing, radio or television broadcasting and dry cleaning or laundry businesses are segregated as a separate class of tangible personal property and taxed at the local level. Businesses subject to the machinery and tools tax are not subject to tangible personal property tax on office equipment, furniture or fixtures.

Machinery and tools are valued by means of depreciated cost or based on a percentage or percentages of original total capitalized cost excluding capitalized interest. The tax rate imposed on machinery and tools cannot exceed the rate imposed on the general class of tangible personal property.

Tangible Personal Property Tax Exemptions. Localities have the option of exempting or partially exempting certified pollution control equipment; certified solar energy equipment or devices; and certified recycling equipment from personal property tax.

For more detailed information about local tax exemptions, consult A Virginia Guide to Local Taxes on Business at: http://www.virginiaallies.org/assets/files/publications/local_taxes_guide.pdf.

Merchants' Capital Tax

Localities may impose a tax on the capital of merchants. Capital is defined as inventory of stock on hand, certain daily rental property owned by persons engaged in the short-term rental business, tangible personal property required to be licensed or registered by the Department of Motor Vehicles, the Department of Game and Inland Fisheries or the Department of Aviation, and all other taxable personal property. Money and tangible personal property not offered for sale as merchandise are not considered capital. Many communities only impose this tax on inventory. According to §58.1-3704 of the Code of Virginia, no locality may impose a merchant's capital tax if it also imposes a business license tax on retail merchants. A number of localities impose both of the taxes, but they do not use the business license tax for retail sales. Forty-six of Virginia's 95 counties impose the merchants' capital tax. None of Virginia's cities impose this tax.

Goods imported in foreign commerce are not subject to the merchants' capital tax until they lose their status as imports. This occurs when the package in which they were shipped is opened or when the property has reached its second place of rest or storage after being unloaded or sold.

License Tax

Localities may impose a license tax for the privilege of doing business on all businesses, professions and occupations within the jurisdiction provided that the locality's ordinances provide for the imposition of the tax. Examples of such businesses include retail firms, wholesale firms, warehousing and distribution firms, personal and repair services firms, professional services firms, contractors, research and development firms and many other businesses and occupations. The license tax is usually based on gross receipts generated during the previous tax year; however, it is imposed on gross purchases of sales at wholesale, and in some localities is imposed as a fee or at a flat rate. If a town and county both impose a license tax, a company located in a town within such a county pays the tax only to the town unless the governing body of the town votes to permit the additional collection of a county license tax. Forty-two of Virginia's 95 counties and all 38 Virginia cities impose a license tax.

For more detailed information on license taxes, consult A Virginia Guide to Local Taxes on Business at: http://www.virginiaallies.org/assets/files/publications/local_taxes_guide.pdf.

Utility Tax

All cities, counties and towns have the authority to levy a tax on the utility bills of business firms, e.g., electric, gas, water, telephone and sewer bills. Most of the localities that currently impose the tax have a modest ceiling on the amount of tax that can be collected. If a town and county charge utility taxes, a company pays the utility tax only to the town.

For more detailed information on utility taxes, consult A Virginia Guide to Local Taxes on Business at: http://www.virginiaallies.org/assets/files/publications/local_taxes_guide.pdf.

State & Local Taxes

Personal Taxes

Virginia residents pay state individual income and estate taxes and local real estate, tangible personal property, utility and excise taxes. They also pay a combined state and local sales and use tax.

Individual Income Tax. The individual income tax rate is two percent on the first \$3,000 of Virginia taxable income, three percent on the next \$2,000, five percent on the next \$12,000, and 5.75 percent on amounts over \$17,000.

Virginia's taxable income is based on an individual's federal adjusted gross income with modifications, if applicable, and with subtractions for personal exemptions and standard or itemized deductions. If taxpayers use itemized deductions on their federal return, they must use them on their state return. If they use standard deductions for federal purposes, they must use them for state purposes.

Sales and Use Tax. The combined state and local sales and use tax rate is 5.3 percent (4.3 percent state and 1.0 percent local) except in the Hampton Roads and Northern Virginia regions where the sales tax is 6.0 percent (5.0 percent state and 1.0 percent local). See page 11 for more details.

Real Estate Tax. The local real estate tax is imposed on land, minerals, standing timber trees, buildings and improvements. The nominal tax rates and assessment ratios vary by locality.

Tangible Personal Property Tax. The local tangible personal property tax applies primarily to motor vehicles, aircraft, mobile homes, campers, trailers, boats and other watercraft, farm machinery and livestock. Many localities, however, either exempt farm machinery and/or livestock from taxation or tax these items at a lower tax rate than the rate on other tangible personal property. Nominal tax rates and the percentage of tangible personal property that is taxable vary by locality.

Virginia's Personal Property Tax Relief Act of 1998 established a phased plan to eliminate the personal property tax on the first \$20,000 of the value of all automobiles, trucks (weighing 7,500 pounds or less) and motorcycles owned or leased for personal use.

Utility Tax. All cities, counties and towns have the authority to levy a tax on the utility bills of individuals' electric, gas, water, telephone and sewer bills.

Excise Tax. Localities may impose local excise taxes on cigarettes, admissions, room rentals and meals. The rates vary by locality.

For additional information about personal taxes, please contact:

Virginia Department of Taxation
Office of Customer Services
Post Office Box 1115
Richmond, Virginia 23218-1115
(804) 367-8037
<http://www.tax.virginia.gov>

Labor Regulations

Unemployment Insurance

Unemployment compensation offers workers some protection against loss of earnings while partially employed or when released from their jobs temporarily or permanently through no fault of their own. In Virginia, industrial and commercial employers must register with the Virginia Employment Commission and pay the unemployment insurance tax if they have one or more persons employed for some portion of a day for 20 or more weeks during a calendar year, or if they pay wages of \$1,500 or more in a calendar quarter.

Under Virginia law, the entire cost is paid by the employer. Tax rates are based on the employer's past unemployment experience (known as the employer's experience rating) and on the state's unemployment compensation experience as reflected by the condition of the State Unemployment Compensation Trust Fund. Basic computed tax rates range from a minimum of 0.52 percent on the first \$8,000 of each employee's annual wages to a maximum of 6.62 percent. Additions to the basic rate can include fund building and pool cost factors. New employers pay a rate of 2.92 percent (plus any additional charges to cover fund building and pool cost factors) on the \$8,000 wage base for as little as two years.

According to United States Department of Labor estimates, employers in Virginia paid an average tax rate of 0.48 percent of total wages in 2015, compared with the national average of 0.72 percent.

In Virginia, the weekly benefit paid to eligible unemployed workers ranges from a minimum of \$60 to a maximum of \$378. Any wages in excess of \$50 that individuals earn while drawing benefits are deducted from the weekly benefit amount.

For additional information about unemployment insurance, please contact:

Virginia Employment Commission
Customer Service
Post Office Box 1358
Richmond, Virginia 23218-1358
(804) 786-1485
(800) 828-1140

<http://www.vec.virginia.gov/employers>

Workers' Compensation Insurance

Workers' compensation insurance provides indemnity and medical benefits to workers or their dependents if the workers become disabled or die from accidental injury or occupational disease due to their employment, and it is compensable under the Virginia Workers' Compensation Act.

Employers must carry workers' compensation insurance with a private insurance carrier, have a certificate of self-insurance issued by the Virginia Workers' Compensation Commission or be a member of a group self-insurance association approved by the State Corporation Commission, or enter into an agreement with a professional employer organization (PEO) as provided in §65.2-801.A.4 of the Code of Virginia if they have three or more employees regularly in service in the same business in Virginia. Employers cannot deduct any part of the cost of workers' compensation insurance from the wages of any employee.

Any sole proprietor or independent contractor, and all partners of a business, whose employees are eligible for benefits, may purchase workers' compensation insurance and elect to be included as employees under the workers' compensation coverage by notifying the insurer. Officers of corporations and managers of limited liability companies are generally employees of the corporation for purposes of the Virginia Workers' Compensation Act as a matter of law. Executive officers of corporations and managers of limited liability companies can reject coverage under the Act as to accidental injury only, but are still included in the employee count. Special provisions apply to unpaid officers.

Labor Regulations

Workers' Compensation Rates. The cost of workers' compensation insurance varies by industry, by occupation, and by state. Effective January 1, 1994, Virginia partially deregulated its rate-making system for workers' compensation insurance, going to a "competitive rate" or "loss costs" estimate. For information on loss cost multipliers, please refer to the State Corporation Commission Bureau of Insurance's Web page: <http://www.scc.virginia.gov/boi/index.aspx>. Consequently, it is no longer possible to quote the full voluntary market rate as a cost estimate. However, according to a report published in 2015 by the National Academy of Social Insurance, Virginia's comparative workers' compensation employer insurance cost was \$0.81 per \$100 of payroll, compared with the national cost of \$1.34. This report provides the only comprehensive data on workers' compensation benefits, coverage and employer costs for the nation, the states, the District of Columbia and federal programs.

Medical Treatment. Employers are required to provide necessary medical treatment for disabled employees for as long as necessary with no cost limitations. The employee has the right to choose one physician from a panel of at least three physicians selected by the employer.

The employer and insurance carrier may appeal physician charges related to the treatment of workers' compensation patients to medical peer review committees in each of the five health system areas of the state. The committees have been effective in keeping charges in line with the usual and customary charges for similar treatment or services within the community.

The employer also is required to provide reasonable and necessary vocational rehabilitation training services, at the direction of the Virginia Workers' Compensation Commission.

The statute of limitations for a workers' compensation claim for an accident is two years from the date of the accident. The statute may be tolled if the employer fails to file an Employer's Accident Report, resulting in prejudice to the employee. If a change in condition occurs, a claim for additional benefits must be filed within two years of the date compensation was last paid pursuant to an award. For an occupational disease, the limitations period is generally two years from the date of communication of the condition, or five years from the date of last injurious exposure during employment, whichever occurs first. Certain conditions such as coal miners' pneumoconiosis, asbestosis and mesothelioma have extended limitations periods.

Compensation Payments. Injured employees are entitled to a compensation payment dependent upon the severity of the injury:

Total Disability. When an injury totally disables an employee for over seven days, the employee may draw a weekly compensation equal to 2/3 of his or her average weekly wage. As of July 1, 2015, the weekly compensation payment ranges from \$241.75 or the average weekly wage, whichever is less, to \$967. If the disability exceeds three weeks, the first week's compensation must be paid. Generally, the period covered by compensation cannot exceed 500 weeks.

Partial Disability. When an injury partially disables an employee, the employee may draw weekly compensation during the incapacity equal to 2/3 of the difference between his or her average weekly wage before the injury and the average weekly wage he or she is able to earn after returning to work. The amount cannot exceed the maximum weekly compensation rate. The period covered by compensation cannot exceed 500 weeks. If the partial incapacity begins after a period of total incapacity, the former period will be deducted from the maximum period allowed for the partial incapacity.

Permanent Disability. When an injury causes a permanent disability, an employee is entitled to the same maximum and minimum weekly benefits as a total disability. The specific body parts and the number of weeks for which compensation will be paid is specified in the Virginia Workers' Compensation Act. An employee is entitled to further compensation for loss of time after payment of the specified number of weeks if he or she is again incapacitated for work.

Total and Permanent Disability. When an injury arising out of a single accident causes the loss of use of two members, total paralysis, or permanent brain injury, an employee may receive lifetime compensation benefits.

Death. When an injury results in death, the surviving spouse and/or dependent children are entitled to 500 weeks of compensation from the date of the injury. They are also entitled to a funeral benefit, not to exceed \$10,000, and up to \$1,000 for transportation of the body.

Labor Regulations

Second Injury Fund. The purpose of the second injury fund is to allow an employer to hire an employee with a prior permanent disability of not less than 20 percent to a specific member scheduled in the Act.

The employer or insurance carrier may file a claim against the fund if the employee sustains a compensable second accident resulting in not less than a 20 percent permanent disability to a member scheduled in the Act. This claim can be for a portion of the compensation, medical service or rehabilitative training service that the employer or carrier has paid.

Uninsured Employer's Fund. The uninsured employer's fund exists to satisfy awards by the Virginia Workers' Compensation Commission when the employer is required by law to have compensation coverage but has not complied.

The fund is financed by a tax on compensation premiums. The tax is suspended for one year when the fund exceeds the next year's budget expenditures. Claims against the fund are administered by Compmanagement, and medical bills are audited.

For additional information about the Virginia Workers' Compensation Act, please contact:

Virginia Workers' Compensation Commission
1000 DMV Drive
Richmond, Virginia 23220
(877) 664-2566
<http://www.workcomp.virginia.gov/portal/vwc-website/default>

For answers to questions concerning workers' compensation classifications and rates, please contact:

NCCI Holdings, Inc.
901 Peninsula Corporate Circle
Boca Raton, Florida 33487
(800) 622-4123
<http://www.ncci.com>

Income Tax Withholding

Employers paying wages to one or more employees in Virginia are required to register with the Virginia Department of Taxation and to deduct and withhold state income taxes from employees' wages.

For additional information, please contact:

Virginia Department of Taxation
Office of Customer Services
Post Office Box 1115
Richmond, Virginia 23218-1115
(804) 367-8037
<http://www.tax.virginia.gov>

Payroll and Wages

Employers operating a business in Virginia must establish regular pay periods and rates of pay for all employees except executive personnel. Salaried employees must be paid at least once each month and employees paid on an hourly rate must be paid at least once every two weeks or twice a month. Students enrolled in a work-study program or its equivalent administered by any secondary school, institution of higher education or trade school may be paid once each month if the institution so chooses.

Upon termination of employment, employees must be paid all money due for work performed prior to their termination date. They must be paid either on or before the date that their next payday would have occurred had their employment not been terminated.

Labor Regulations

Any employer who knowingly fails to make payment of wages will be subject to a civil penalty. The employer also will be liable for the payment of all wages due plus interest accruing from the date the wages were due.

Payment of wages or salaries must be in lawful money of the United States or with a check payable at face value. An employer may also make payment by direct deposit, but only if the employee agrees and designates a financial account in his/her name for deposit of the wage or salary amount.

An employer may not withhold any part of the wages or salary of any employee except for payroll, wage or withholding taxes or legal lien unless the employer has a written and signed authorization by the employee.

Minimum Wage

All employees in Virginia not covered by the federal Fair Labor Standards Act (F.L.S.A.) are covered by the Virginia Minimum Wage Law if the employer has four or more employees and is not specifically excluded. The federal minimum wage is \$7.25 per hour as of July 1, 2009. The Virginia Minimum Wage Law, which covers many employers not falling under the federal F.L.S.A., provides for a minimum wage rate identical to the federal minimum wage. The law allows a wage rate lower than the standard minimum wage rate in certain situations in which the employee is in training.

Equal Pay

Under the Equal Pay Act of 1963, employers may not discriminate in pay on the basis of gender for equal work requiring equal skill, effort and responsibility, and that is performed under similar working conditions. Exceptions to the law include payments based on a bona fide seniority system, a merit system, a system that measures earnings by quantity or quality of production, or a differential based on any factor other than gender. If this law is violated and the violation is found to be willful, the employee whose wages were wrongfully withheld has a right to recover damages to the extent of two times the amount of wages withheld. This Act does not apply to employers covered by the federal Fair Labor Standards Act of 1938, as amended.

The Right-To-Work Law

Virginia is one of 22 states with a Right-To-Work Law. The law prohibits a closed shop, where employers may hire only members of the contracting union, and a union shop, where the employee who is not a member of a union must join after a certain period of employment and must remain a member as a condition of employment.

Under the Virginia statute, the right to work cannot be denied to an individual based upon membership or nonmembership in a labor union or organization. An employer cannot require employees to become or remain members of a labor union or require that dues or fees be paid to a union or labor organization as a condition of employment.

Virginia law prohibits the use of force, violence or intimidation to induce or attempt to induce any employee to quit employment or refrain from seeking employment. It also prohibits a person from engaging in picketing by force or violence, singly or with others, in such a way as to obstruct free passage to or from any premises. A court of equity may prohibit any picketing or interference with lawful picketing to prevent disorder, restrain coercion, protect life or property or promote the general welfare.

For additional information about equal pay legislation, minimum wages, the right-to-work law, or any other information pertaining to the labor and employment law, please contact:

Virginia Department of Labor and Industry
Division of Labor and Employment Law
600 East Main Street, Suite 207
Richmond, Virginia 23219
(804) 371-2327

<http://www.doli.virginia.gov/laborlaw/laborlaw.html>

Labor Regulations

Unlawful Discrimination

The Division of Human Rights at the Attorney General's Office enforces the Virginia Human Rights Act. The Act safeguards individuals within the Commonwealth from unlawful discriminatory practices. Unlawful practices under the Act include any actions based on race, color, religion, national origin, sex, age, disability, or pregnancy, childbirth or related medical conditions that violate a Virginia or federal statute or regulation governing discrimination. The Act guards against unlawful discrimination in places of public accommodation including educational institutions, in real estate transactions and in employment.

The Division has the authority to investigate, seek to conciliate, hold hearings and make findings and recommendations on complaints of unlawful discriminatory practices.

For additional information, please contact:

Office of the Attorney General
Division of Human Rights
900 East Main Street
Richmond, Virginia 23219
(804) 225-2292

<http://www.oag.state.va.us/index.php/programs-initiatives/human-rights>

Rights of Persons with Disabilities

The Virginians with Disabilities Act (VDA) protects the civil rights of persons with disabilities. Among other things, the provisions prohibit employers from discriminating against job applicants or employees on the basis of disability and require employers to provide reasonable accommodations to accommodate a person's known physical and mental impairments. The disAbility Law Center of Virginia (dLCV) provides information, referral and technical assistance for individuals who have a disability-related employment discrimination complaint. dLCV may provide legal representation for persons who have experienced employment discrimination when the employer has less than 15 employees and therefore is not covered under Title I of the Americans with Disabilities Act (ADA) and when the issue meets the agency's case selection and/or litigation criteria. dLCV staff is also available to provide training to consumer groups and employers regarding the VDA and the ADA, upon request.

For additional information, please contact:

disAbility Law Center of Virginia
1512 Willow Lawn Drive, Suite 100
Richmond, Virginia 23230
(804) 225-2042 (Voice/TTY)
(800) 552-3962 (Voice/TTY)

info@dLCV.org

<http://www.dLCV.org>

Labor Regulations

Child Labor

Most minors under 16 years of age are required to obtain employment certificates before they may begin working. Applications for Employment Certificates (“work permits”) and instructions are available on the Virginia Department of Labor and Industry website (www.doli.virginia.gov).

For minors who are 16 and 17 years of age, there are no restrictions on the hours of work. In addition, they are not required to obtain work permits prior to beginning work. However, the rules and regulations pertaining to hazardous occupations apply to all minors under the age of 18. More specific information pertaining to these regulations is available from the Division of Labor and Employment Law.

Further information concerning Child Labor Laws in Virginia can be answered by contacting:

Virginia Department of Labor and Industry
Division of Labor and Employment Law
600 East Main Street, Suite 207
Richmond, Virginia 23219
(804) 371-3104 ext. 131
<http://www.doli.virginia.gov/laborlaw/laborlaw.html>

Employment of Aliens

The federal Immigration and Reform Control Act of 1986 preempts state law governing the employment of illegal aliens. The Department of Labor and Industry no longer enforces laws pertaining to the hiring of an alien who cannot provide documents indicating that he or she is legally eligible for employment in the United States.

Information regarding the employment of aliens may be obtained from a Virginia office of the U.S. Immigration and Naturalization Service.

Apprenticeship Training

Virginia’s Registered Apprenticeship Program provides a framework for Virginia’s employers to develop a highly skilled workforce in a customized and employer-driven environment. Apprenticeship also enables Virginia’s workers to expand their opportunities in a nationally recognized program that combines on-the-job training and related classroom instruction provided by a local school system, community college, vocational-technical center or by the employer.

For additional information on registered apprenticeship or registered student apprenticeship, please contact:

Virginia Department of Labor and Industry
Main Street Centre
600 East Main Street, Suite 207
Richmond, Virginia 23219
(804) 225-4362
http://www.doli.virginia.gov/apprenticeship/registered_apprenticeship.html
<https://www.youtube.com/user/DOLIVirginia>

Labor Regulations

Bulletin Board Poster Requirements

Employers operating in Virginia are required to display certain posters as prescribed by state and federal law. The required state and federal posters should be ordered directly from the issuing agency and include the following:

State Posters

Occupational Safety and Health—Job Safety and Health Protection. Advises employees of their rights and responsibilities under the OSHA law. Must be posted by all private and public employers. Employers are subject to a citation and possible fine if poster is not displayed. The VOSH Program also provides on-site consultation services to help employers better understand and voluntarily comply with the VOSH standards. This program helps employers identify and correct potential safety and health hazards. Priority is given to high hazard workplaces with 250 or fewer employees. For more information, please click on this link:

http://www.doli.virginia.gov/vosh_coop/vosh_consultation_p1.html

Virginia Department of Labor and Industry
Virginia Occupational Safety and Health Program
Main Street Centre
600 East Main Street, Suite 207
Richmond, Virginia 23219.
(804) 786-8011

Unemployment Insurance—Notice to Workers (VEC-B-29). Advises employees on when they are eligible for unemployment insurance benefits and how to apply for those benefits. Must be posted by every employer subject to the unemployment insurance laws.

Virginia Employment Commission
Client Relations Department
P.O. Box 1358
Richmond, Virginia 23218
(804) 786-4359

Workers' Compensation Insurance Act. Advises employees and employers of their rights and responsibilities under the Workers' Compensation Law in case of injury or occupational disease. The posters must be displayed by every employer within the operation of the Virginia Workers' Compensation Act. Click here to access the required posters for Workman's Compensation.

Workers' Compensation Commission
1000 DMV Drive
Richmond, Virginia 23220
(804) 367-8699

Earned Income Tax Credit (EITC). Federal tax credit for low-to-middle income working individuals and families. To qualify you must file an income tax return - even if the IRS doesn't require filing taxes for your income level. If you qualify for EITC, you also qualify to have your taxes prepared for free. To access the VDSS web site page for additional information and find out if you qualify for the Earned Income Tax Credit or the Credit for Low Income Individuals by Click here

Virginia Department of Social Services
801 E. Main Street
Richmond, VA 23219-2901
(804)-726-7918

Labor Regulations

Federal Posters

Davis-Bacon Act and the Contract Work Hours and Safety Standards Acts—Notice to all Employees Working on Federal or Federally Financed Construction Projects (WH Publication 1321). All construction contractors and subcontractors working on federally financed construction, where the project is \$2,000 or more, must post this notice at the job site along with a copy of the specification section of their contract with the federal government setting forth applicable prevailing wage rates for laborers and mechanics as determined by the Secretary of Labor. Poster sets forth minimum wage and overtime information for laborers and mechanics.

U.S. Department of Labor
Wage and Hour Division
Employment Standards Administration
400 N. Eighth Street, Room 416
Richmond, Virginia 23240
(804) 771-2995

Equal Employment Opportunity—Equal Employment Opportunity is the Law (GPO: 920-752). Combines all relevant information regarding employee rights under Title VII of the Civil Rights Act of 1964, as amended, The Age Discrimination in Employment Act of 1967, as amended, The Equal Pay Act of 1963, as amended, and other EEO laws. Should be posted by 1) all employers of 15 or more employees; 2) all government contractors and subcontractors regardless of number of employees; 3) federal, state, and local governments without regard to the number of employees in the employing unit; 4) employment agencies serving such employers; and 5) labor organizations with 25 or more members.

U.S. Department of Labor
Richmond Area Office
Equal Employment Opportunity Commission
3600 West Broad Street, Suite 229
Richmond, Virginia 23230
(804) 278-4651
toll-free (800) 669-4000

Fair Labor Standard Act—Your Rights Under the Fair Labor Standards Act (WH Publication 1088). Sets forth the federal minimum wage and the payment of time and a half for overtime hours for covered and nonexempt employees. Summarizes regulations governing the employment of minors under the age of 18. Must be posted by employers who are covered by the Act.

U. S. Department of Labor
Wage and Hour Division
Employment Standards Administration
400 North Eighth Street , Room 416
Richmond, Virginia 23240
(804) 771-2995

Labor Regulations

Family and Medical Leave Act—Your Rights Under the Family and Medical Leave Act of 1993. Advises employees of their rights to up to 12 weeks of unpaid, job-protected leave for certain family and medical reasons.

U.S. Department of Labor
Wage and Hour Division
Employment Standards Administration
400 North Eighth Street, Room 416
Richmond, Virginia 23240
(804) 771-2995

Polygraph Protection Act—Notice Employee Polygraph Protection Act. Advises employees of their rights regarding lie detector tests for pre-employment screening or during the course of employment.

U. S. Department of Labor
Wage and Hour Division
Employment Standards Administration
400 North Eighth Street, Room 416
Richmond, Virginia 23240
(804) 771-2995

Walsh-Healey Public Contracts Act or McNamara-O'Hara Service Contract Act—Notice to Employees Working on Government Contracts (WH Publication 1313). Advises employees that they may be entitled to receive certain minimum wages and fringe benefits and may be entitled to overtime compensation. Also, contains certain safety and health regulations and child labor requirements. Must be posted by any company performing government contract work subject to the Service Contract Act or the Public Contracts Act.

U.S. Department of Labor
Wage and Hour Division
Employment Standards Administration
400 North Eighth Street, Room 416
Richmond, Virginia 23240
(804) 771-2995

Migrant and Seasonal Agricultural Worker Protection Act (MSPA). Each farm labor contractor, agricultural employer and agricultural association which employs any migrant agricultural worker shall post and keep posted in a conspicuous place at the place of employment a poster prepared by the Department of Labor which explains the rights and protections for workers required under the Migrant and Seasonal Agricultural Worker Protection Act.

U.S. Department of Labor
Wage and Hour Division Employment Standards Administration
400 North Eighth Street, Room 416
Richmond, Virginia 23240
(804) 771-2995

Business & Occupational Regulations

Business and Occupational Licenses

The Department of Professional and Occupational Regulation issues state licenses and certificates and administers Virginia's fair housing laws. The Agency regulates the following businesses, occupations and programs:

Architects; Asbestos Workers; Auctioneers; Backflow Prevention Device Workers (Tradesmen); Barbers; Body Piercers; Boxers, Professional; Branch Pilots; Cemetery Salespersons; CNG Vehicle Mechanics, Common Interest Community Managers ; Contractors; Cosmetologists; Electricians (Tradesmen) ; Elevator Mechanics (Tradesmen) ; Estheticians; Fair Housing; Gas Fitters (Tradesmen) ; Geologists ; Hearing Aid Specialists; Home Inspectors; HVAC (Tradesmen) ; Interior Designers; ; Landscape Architects; Land Surveyors & Photogrammetrists; Lead Abatement Workers; Martial Artists, Professional; Nail Technicians; Onsite Sewage System Professionals; Opticians; Plumbers (Tradesmen) ; Polygraph Examiners; Professional Engineers; Real Estate Appraisers; Real Estate Salespeople & Brokers; Soil Scientists, Professional; Tattooists; Waste Management Facility Operators; Wastewater Works Operators; Water Well System Providers (Tradesmen); Waterworks Operators; Wax Technicians; Wetland Delineators; Wrestlers, Professional

For additional information, please contact:

Department of Professional and Occupational Regulation (DPOR)
9960 Mayland Drive, Suite 400
Richmond, Virginia 23233
(804) 367-8500
<http://www.dpor.virginia.gov>

Special Permits

The Department of Agriculture is composed of the Division of Consumer Protection, the Division of Animal and Food Industry Services and the Division of Marketing. Each of these divisions regulates, registers, licenses, certifies and/ or issues special permits involving different types of businesses, occupations and programs. The three divisions, and their individual offices and areas of responsibility within the Virginia Department of Agriculture are listed below:

Division of Consumer Protection

The Office of Pesticide Services certifies applicators, registers pesticide products and licenses pesticide businesses.

Office of Pesticide Services
(804) 786-3798
<http://www.vdacs.virginia.gov/pesticides>

The Office of Plant Industry Services protects Virginia's agricultural and horticultural economic interests by overseeing and ensuring compliance with a variety of laws.

Office of Plant Industry Services
(804) 786-3515
<http://www.vdacs.virginia.gov/plant-and-pest.shtml>

The Office of Weights and Measures administers consumer protection laws and regulations designed to maintain the integrity of transactions between buyers and sellers and prevent unfair competition among regulated industries.

Office of Weights & Measures
(804) 786-2476
<http://www.vdacs.virginia.gov/food-weights-and-measures.shtml>

Business & Occupational Regulations

Division of Animal and Food Industry Services

The Dairy Services food safety program administers regulations specific to the dairy industry which govern the production, processing, labeling, handling and sale of milk and milk products in Virginia.

Office of Dairy Services

(804) 786-8899

<http://www.vdacs.virginia.gov/food-dairy-and-foods.shtml>

The Food Safety & Security Office enforces Virginia food laws and related regulations within retail food establishments (except restaurants), food processing and manufacturing establishments and food warehouse establishments.

Office of Food Safety & Security

(804) 786-3520

<http://www.vdacs.virginia.gov/food-food-safety.shtml>

The Office of Meat and Poultry Services provides inspection service to individuals or companies that slaughter and/or process meat and poultry products.

Office of Meat & Poultry Services

(804) 786-4569

<http://www.vdacs.virginia.gov/animals-meat-and-poultry.shtml>

Division of Marketing

The Division of Marketing serves producers, commodity boards and associations, retailers and buyers by providing marketing assistance.

Division of Marketing

(804) 786-3530

<http://www.vdacs.virginia.gov/marketing-and-economic-development.shtml>

For additional information, please contact:

Virginia Department of Agriculture and Consumer Services

102 Governor Street

Richmond, Virginia 23219

<http://www.vdacs.virginia.gov>

Business & Occupational Regulations

Virginia Tradesman Program

The Board for Contractors regulates individual tradesmen who engage in the trades of electrical; plumbing; heating, ventilation, and air conditioning (HVAC); gas fitting; water well construction; elevator mechanics; backflow prevention; and building energy analysis. (Although the term "certified" is used, state certification of these trades is mandatory, not optional.)

Individual tradesmen may also be subject to local ordinances, laws, or other requirements imposed by other state agencies, courts, or certain localities. Questions about local ordinances, etc. should be directed to the community in which the individuals plan to engage in their trade.

For additional information, please contact:

Virginia Department of Professional and Occupational Regulation (DPOR)

Tradesman Program

9960 Mayland Drive, Suite 400

Richmond, Virginia 23233

Licensing — (804) 367-8511

Education — (804) 376-2224

Board Office — (804) 367-2785

tradesmen@dpor.virginia.gov

www.dpor.virginia.gov

Transporting Oversized and/or Overweight Vehicle Loads

Motor vehicle transporters moving equipment or loads that, when reduced to their smallest dimensions, exceed state statutory limits, must obtain a hauling permit from the Virginia Department of Motor Vehicles, Hauling Permit Section. The permit will contain information such as allowable times of travel, routes of travel, safety requirements and speed limitations while traveling on state-maintained highways. Additional requirements such as flags, warning lights, escorts and other operational provisions may be required depending on the overall size and the vehicle configuration. Additional travel restrictions may be imposed by localities or on specific road segments, bridges or tunnels.

For additional information, please contact:

Virginia Department of Motor Vehicles

Hauling Permit Section

2300 West Broad Street, 6th Floor

Richmond, VA 23260

(804) 497-7135

haulingpermit@dmv.virginia.gov

http://www.dmv.virginia.gov/apps/vahps/vahps_home.aspx

Occupational Safety and Health

The Virginia Occupational Safety and Health (VOSH) Program of the Department of Labor and Industry has full authority from the U.S. Department of Labor to administer occupational safety and health plan enforcement through the VOSH program for general industry, construction, agriculture and public-sector employers. Authority of the above action is granted under the Federal Occupational Safety and Health (OSHA) Act of 1970.

For the Commonwealth to comply with its federal agreement, the Virginia Safety and Health Codes Board has the responsibility for the regulatory promulgation of occupational safety and health standards that are at least as stringent as those standards promulgated by federal OSHA for general industry (29 CFR Part 1910), construction (29 CFR Part 1926) and agriculture (29 CFR Part 1928). It should be noted that federal OSHA retains jurisdiction and exercises direct enforcement for private-sector employers in maritime, shipyard, marine terminal, long shoring and gear certification. It also retains jurisdiction for employment at worksites on certain federal military facilities or federal enclaves.

Office of Cooperative Programs

The Department of Labor and Industry's Office of Consultation and Training offers free, on-site consultation services and helps employers establish effective safety and health programs. The Consultation Services Program helps employers apply VOSH regulations and allows them to make corrections and voluntarily comply. Staff provides on-site safety and health consultation at no cost to Virginia businesses with 250 or fewer employees.

The Safety and Health Achievement Recognition Program (SHARP) is for small business Virginia companies demonstrating exemplary safety and health programs that may be recognized for their efforts and exempted from general schedule inspections.

Also available through consultation services are training opportunities in locations throughout the state. More information is available from:

Virginia Department of Labor and Industry
Office of Cooperative Programs
600 East Main Street, Suite 207
Richmond, Virginia 23219
(804) 786-8707
<http://www.doli.virginia.gov>
consultationtraining@doli.virginia.gov

The Virginia Voluntary Protection Program (VPP) recognizes employers with exceptional safety and health practices.

The VPP is primarily for larger businesses, but is open to any size business that meets the rigorous qualifications for maintaining a safety and health program.

[http://www.doli.virginia.gov/vosh_coop/vosh_vpp\(old\).html](http://www.doli.virginia.gov/vosh_coop/vosh_vpp(old).html)

Occupational Safety and Health Compliance

Safety compliance officers and industrial hygienists from the divisions of Occupational Safety and Health Compliance in the Department of Labor and Industry make randomly scheduled inspections of general industry firms and construction sites throughout the state. They also investigate complaints from employees or their representatives, fatal accidents and catastrophes. (Fatalities and catastrophes must be reported to VOSH within eight hours.) The Department of Labor and Industry's mission is to make all workplaces in Virginia safer and healthier.

Virginia law states that the Commissioner of the Department of Labor and Industry has the authority to assess civil penalties for cited violations. In determining the amount of any proposed penalty, the Commissioner gives due consideration to the size of the business, the gravity of the violation, the history of previous violations and the good faith of the employer being charged.

Virginia has also adopted several unique state standards. These include standards for the construction industry and the telecommunications industry concerning entry into confined spaces such as manholes, tanks, vaults, vessels, etc. The confined space standards require employers to establish a written permit entry system, and to provide training, atmospheric testing, mechanical ventilation and personal protective equipment.

For additional information, please contact:

Virginia Department of Labor and Industry
Office of VOSH Planning & Evaluation
600 East Main Street, Suite 207
Richmond, Virginia 23219
(804) 786-4300
http://www.doli.virginia.gov/vosh_enforcement/vosh_vaunique_standards.html

Radiation Control

The Virginia Department of Health's Office of Radiological Health (ORH) mission is to minimize the public's exposure to ionizing radiation. To this end, ORH registers X-ray producing machines, licenses radioactive devices, conducts inspections of facilities and workplaces authorized to operate radiation emitting devices and handle radiological material, responds to situations involving potential and actual radiological health hazards, and offers education and technical guidance about minimizing exposure to indoor radon. ORH's X-ray and Radioactive Material Program's inspection schedules are based on regulatory requirements, requests, complaints, previous inspection reports, equipment types and the facilities where radiological devices are used or stored. Additionally, consultation services and technical assistance are available.

For additional information, please contact:

Virginia Department of Health
Office of Radiological Health
109 Governor Street, 7th Floor
Richmond, Virginia 23219
(804) 864-8150
<http://www.vdh.virginia.gov/Epidemiology/RadiologicalHealth/>

Water Supply

Water that is made available to a company's employees or visitors must be taken from a waterworks that has been approved by the Virginia Department of Health.

If water cannot be supplied from an approved municipal system, the company must contact the Department of Health's Office of Drinking Water to obtain a permit to create or establish a public water system.

For additional information, please contact:

Virginia Department of Health
Office of Drinking Water
109 Governor Street, 6th Floor
Richmond, Virginia 23219
(804) 864-7500
<http://www.vdh.virginia.gov/ODW>

Explosives

Outside of a mine or quarry operation, individuals are required to obtain a permit to store, handle or use explosives or blasting agents in Virginia. Permits issued by the State Fire Marshal's Office for explosives are not applicable in localities enforcing the Virginia Statewide Fire Prevention Code (SFPC). If a locality has a fire official, then the permit has to be obtained from the local official. In localities where the State Fire Marshal's Office has enforcement authority, a separate application is required for each city or county in which the applicant intends to use or store explosives. Certification of the blaster in charge is required prior to the detonation of explosives, fireworks excepted.

For permit applications, certification as a blaster and information identifying whether or not a given locality is enforcing the Code, please contact:

State Fire Marshal's Office
Explosives Section
1005 Technology Park Drive
Glen Allen, Virginia 23059-4500
(804) 371-0220
http://www.vafire.com/state_fire_marshall/explosives.htm

Boilers and Pressure Vessels

The Boiler Safety Compliance Program, in the Department of Labor and Industry, is responsible for inspecting and certifying the construction, installation, operation, maintenance, repair and alteration of all boilers and pressure vessels in the Commonwealth. Examples of pressure vessels are air compressor tanks, water heaters, and hydro-pneumatic tanks.

For additional information, please contact:

Virginia Department of Labor and Industry
Boiler Safety Compliance Program
600 East Main Street, Suite 207
Richmond, Virginia 23219
(804) 786-3160
http://www.doli.virginia.gov/boilersafety/boiler_safety.html

Environmental Regulations

Administration

Virginia administers its environmental regulatory programs chiefly through state agencies such as the Department of Environmental Quality (DEQ) and the Virginia Marine Resources Commission and their voluntary citizen boards, appointed by the Governor.

Citizen boards have statutory authority to promulgate regulations, approve certain permits, seek information, and impose administrative sanctions or initiate legal action. The agencies administer the day-to-day operations of Virginia's environmental programs and have authority over issuance of permits, interpretation of regulations, fee setting and initiation of enforcement actions. The agencies also serve as the primary point of contact for regulated industries.

The mission of DEQ is to protect Virginia's environment and promote the health and well-being of the citizens of the Commonwealth. To accomplish this, DEQ administers state and federal environmental programs; issues environmental permits and ensures compliance with regulations; coordinates planning among the Commonwealth's environmental programs; and resolves issues efficiently, openly, fairly and consistently. To ensure protection of the environment and people's health, DEQ programs rely on health-based or risk-based standards that minimize pollutants.

Under the system of state and federal environmental programs and procedures, it is recommended – and in some cases required – that any business or industry that is new to Virginia, modifying an existing facility or modifying a process, seek early guidance from the appropriate regulatory agency before proceeding with prospective activity. By doing so, the business has the advantage of incorporating regulatory requirements into initial planning for the project. Permits must be obtained before construction or installation of equipment can begin. The timing of an individual decision depends on the type of permit required and when a complete application is submitted to the DEQ.

Regulatory Methods

Virginia uses a wide variety of regulatory devices to protect public health and conserve natural resources:

Permitting. A business may have to obtain a permit from the state to construct and operate a facility if it will produce air or water pollution, has the potential to be hazardous, involves dredging or filling in waterways, or includes groundwater or surface water withdrawal. The permit binds the owners to design requirements and the operators to performance procedures and standards.

Certification. Under certain programs, businesses can be required to document or provide affidavits of compliance with a regulation or standard.

Registration. Owners or operators may have to provide notice and describe facilities that are in operation at the time a new regulation becomes effective.

Monitoring. Businesses may be required to sample and record levels of facility emissions, including air pollutants, wastewater, noise and dust.

Reporting. Businesses can be required to report such facts as the operation of certain types of equipment, emissions of specific pollutants, or storage or use of toxic substances.

Environmental Impact Reporting. Private-sector projects do not require state environmental impact reports.

Licensing. Persons who perform certain tasks in a business may be required to obtain an occupational license.

Environmental Regulations

Information and Assistance Programs for Industry

DEQ provides extensive compliance services through the use of staff and technical information for existing and prospective business clients. Through the Virginia Environmental Excellence Program, DEQ uses incentives and assistance efforts to promote environmental stewardship beyond regulatory compliance. The goal of this initiative is to help develop more-efficient technologies and business operations by reducing the amount of emissions released to the environment and improving how raw materials are managed.

DEQ is committed to streamlining the steps that companies must take to obtain air, water and waste permits. The Virginia Economic Development Partnership project managers and DEQ will work with a company to efficiently address the completion of the application and the approval process. In addition, Virginia's local governments offer streamlined permitting processes and provide dedicated project managers to assist companies through the planning and construction process.

For information on regulations and permitting requirements regarding wetlands and navigable waterways, please contact:

Virginia Marine Resources Commission
2600 Washington Avenue, 3rd Floor
Newport News, Virginia 23607-0756
(757) 247-2200
<http://www.mrc.virginia.gov/>

For information about other regulations and permitting requirements from DEQ, please contact:

Virginia Department of Environmental Quality
629 East Main Street
Richmond, Virginia 23219
(804) 698-4000

Water

<http://www.deq.virginia.gov/Programs/Water/PermittingCompliance.aspx>

Air

<http://www.deq.virginia.gov/Programs/Air/PermittingCompliance/Permitting/TypesofAirPermits.aspx>

Land Protection

<http://www.deq.virginia.gov/Programs/LandProtectionRevitalization/PermittingCompliance/WastePermits.aspx>

Renewable Energy

<http://www.deq.virginia.gov/Programs/RenewableEnergy/Laws,Regulations,Guidance.aspx>

Building Code & Construction Regulations

Construction of new buildings requires building permit(s), from the local town, city or county which effectively implements a number of local and statewide regulations.

The Virginia Uniform Statewide Building Code (USBC) contains the building regulations that must be complied with when constructing a new building, structure, or an addition to an existing building. They must also be used when maintaining or repairing an existing building or renovating or changing the use of a building or structure.

Enforcement of the USBC is the responsibility of the local government's building inspections department. The local governing body may charge fees to defray the costs of enforcement and appeals arising from the application of the code. The USBC contains enforcement procedures that must be used by the enforcing agency. An administrative appeals system exists to resolve disagreements that may occur between the enforcing agency and an aggrieved party before the State Building Code Technical Review Board.

The Virginia Rehabilitation Code contains regulations specific to the rehabilitation of existing buildings. The purpose of the Virginia Rehabilitation Code is to facilitate the rehabilitation of vacant, substandard or unsafe residential and commercial structures.

The Virginia Maintenance Code provides regulations to protect occupants of existing buildings and structures from health and safety hazards arising from the improper maintenance and use of those buildings and structures. Any local government may enforce the Virginia Maintenance Code and may assign enforcement responsibility to a local agency of its choice.

The USBC also provides optional enforcement regulations to protect occupants of existing buildings and structures from health and safety hazards arising from the improper maintenance and use of those buildings and structures. Any local government may enforce the maintenance provisions of the USBC and may assign the enforcement responsibility to a local agency of its choice.

For additional information, please contact:

Virginia Department of Housing and Community Development
Division of Building and Fire Regulation
600 East Main Street, Suite 300
Richmond, Virginia 23219
(804) 371-7160

<http://www.dhcd.virginia.gov/index.php/va-building-codes/building-and-fire-codes/building-and-fire-code-overview.html>

CONTACT

901 East Byrd Street
Post Office Box 798
Richmond, Virginia 23218-0798
Phone: 1.804.545.5600
Fax: 1.804.545.5631
Email: info@YesVirginia.org

OR GO TO
YESVIRGINIA.ORG

