

VML/VACO BPOL Survey Results

Compilation By:
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Survey Results Summary

- Survey captured 85% of all BPOL revenue paid in FY 2012.
- Counties (other than NoVa) and towns tend to have higher amounts of BPOL revenue from retail business. NoVa has more revenue from Professional Services.
- Statewide sources of BPOL revenue are as follows:
 - 1) Financial, Real Estate and Professional Services (31%)
 - 2) Repair, Personal and Business Service (26%)
 - 3) Retail (25%)
 - 4) Contracting (7%)
 - 5) Wholesale (5%)
 - 6) All Other (6%)
- 60.6% percent of businesses either pay a flat fee or have under \$100,000 in gross receipts.
 - These small businesses represent 1.5% of total BPOL receipts.

BPOL Survey Included 85% of Tax Received in FY 2012

	<u>VML/VACO Survey</u>		<u>APA Comparative Report</u>		
	# in Survey	BPOL Amount	# With BPOL	Business License Taxes Amount	Survey to APA Amount Ratio
<i>Northern Virginia counties</i>	3	\$238,043,400			
<i>Counties, not including No. Va.</i>	27	78,351,914			
Total counties	30	\$316,395,314	48	\$367,334,386	86%
Cities	26	\$249,774,049	39	\$287,805,843	87%
Towns	24	\$11,210,083	124	\$27,947,315	40%
Total counties, cities & towns	80	\$577,379,446	211	\$683,087,544	85%

Sources of BPOL Revenue by Business Type

	% of Survey Revenue	Max. Rate Allowed/\$100
Financial, RE, Prof. Svcs	31%	\$0.58
Repair, Personal & Business Svcs	26%	\$0.36
Retail	25%	\$0.20
Contracting	7%	\$0.16
Wholesale *	5%	\$0.05
Other	6%	varies

* Some cities have higher grandfathered rates

60 Percent of Business Licenses Pay Under \$100 per Year

Gross Receipts Level	<u># of Licenses</u>	<u>Percent</u>	<u>\$ Amount</u>	<u>Percent</u>	<u>Avg per License</u>
Flat Fee only*	74,888	23.6%	\$4,134,673	0.7%	\$56
\$0-\$100,000	117,469	37.0%	\$4,841,153	0.8%	\$75
\$100,001-200,000	29,165	9.2%	\$9,273,349	1.6%	\$276
\$200,001-500,000	35,989	11.3%	\$27,652,331	4.8%	\$620
\$500,001-5,000,000	50,616	16.0%	\$177,978,987	30.8%	\$2,614
\$5,000,001-25,000,000	7,622	2.4%	\$174,518,999	30.2%	\$12,711
Over \$25,000,000	<u>1,456</u>	<u>0.5%</u>	<u>\$178,979,953</u>	<u>31.0%</u>	<u>\$110,134</u>
Totals	317,205	100.0%	\$577,379,446	100.0%	\$1,280

Detailed Survey Results Appendix

BPOL Receipts % by Location/Type

	Contracting	Retail	Repair, Personal & Bus. Svcs.	Financial, R.E. & Prof. Svcs.	Wholesale	Other
<i>Northern Virginia counties</i>	6.9%	16.9%	24.9%	41.9%	1.2%	8.2%
<i>Counties, not including No. Va.</i>	<u>10.4%</u>	<u>42.7%</u>	<u>23.4%</u>	<u>11.5%</u>	<u>6.3%</u>	<u>5.7%</u>
Total counties	7.8%	23.3%	24.5%	34.4%	2.5%	7.6%
Cities	7.2%	25.9%	28.8%	26.6%	7.9%	3.7%
Towns	5.5%	42.6%	14.7%	18.3%	2.2%	16.8%
Grand total	7.5%	24.8%	26.2%	30.7%	4.8%	6.1%

BPOL Receipts by Locality Type and Business Size

Cities

Gross Receipts Level	<u># of Licenses</u>	<u>Percent</u>	<u>\$ Amount</u>	<u>Percent</u>	<u>Avg per License</u>
Flat Fee only	28,023	18.8%	\$1,806,897	0.7%	\$64
\$0-\$100,000	68,027	45.5%	\$ 3,684,773	1.5%	\$54
\$100,001-200,000	12,479	8.4%	\$ 5,279,076	2.1%	\$423
\$200,001-500,000	15,567	10.4%	\$ 15,291,271	6.1%	\$982
\$500,001-5,000,000	22,101	14.8%	\$90,684,482	36.3%	\$4,103
\$5,000,001-25,000,000	2,779	1.9%	\$ 74,395,539	29.8%	\$26,771
Over \$25,000,000	<u>459</u>	<u>0.3%</u>	<u>\$58,632,013</u>	<u>23.5%</u>	<u>\$127,739</u>
Totals	149,435	100.0%	\$249,774,049	100.0%	\$1,671

Arlington, Fairfax, Loudoun

Gross Receipts Level	<u># of Licenses</u>	<u>Percent</u>	<u>\$ Amount</u>	<u>Percent</u>	<u>Avg per License</u>
Flat Fee only	28,299	38.4%	\$1,606,512	0.7%	\$57
\$0-\$100,000	6,193	8.4%	\$181,610	0.1%	\$29
\$100,001-200,000	8,342	11.3%	\$2,383,381	1.0%	\$286
\$200,001-500,000	10,699	14.5%	\$7,628,569	3.2%	\$713
\$500,001-5,000,000	16,297	22.1%	\$55,570,042	23.3%	\$3,410
\$5,000,001-25,000,000	3,217	4.4%	\$74,380,008	31.2%	\$23,121
Over \$25,000,000	<u>706</u>	<u>1.0%</u>	<u>\$96,293,277</u>	<u>40.5%</u>	<u>\$136,393</u>
Totals	73,753	100.0%	\$238,043,400	100.0%	\$3,228

Other Counties

Gross Receipts Level	<u># of Licenses</u>	<u>Percent</u>	<u>\$ Amount</u>	<u>Percent</u>	<u>Avg per License</u>
Flat Fee only	17,267	20.3%	\$648,141	0.8%	\$38
\$0-\$100,000	39,968	46.9%	\$728,972	0.9%	\$18
\$100,001-200,000	7,351	8.6%	\$1,336,791	1.7%	\$182
\$200,001-500,000	8,449	9.9%	\$3,942,632	5.0%	\$467
\$500,001-5,000,000	10,543	12.4%	\$27,345,414	34.9%	\$2,594
\$5,000,001-25,000,000	1,414	1.7%	\$23,048,649	29.4%	\$16,300
Over \$25,000,000	<u>266</u>	<u>0.3%</u>	<u>\$21,301,316</u>	<u>27.2%</u>	<u>\$80,080</u>
Totals	85,258	100.0%	\$78,351,914	100.0%	\$919

Towns

Gross Receipts Level	<u># of Licenses</u>	<u>Percent</u>	<u>\$ Amount</u>	<u>Percent</u>	<u>Avg per License</u>
Flat Fee only*	1,299	14.8%	\$73,123	0.7%	\$56
\$0-\$100,000	3,281	37.5%	\$245,799	2.2%	\$75
\$100,001-200,000	993	11.3%	\$274,101	2.4%	\$276
\$200,001-500,000	1,274	14.5%	\$789,859	7.0%	\$620
\$500,001-5,000,000	1,675	19.1%	\$4,379,049	39.1%	\$2,614
\$5,000,001-25,000,000	212	2.4%	\$2,694,804	24.0%	\$12,711
Over \$25,000,000	<u>25</u>	<u>0.3%</u>	<u>\$2,753,348</u>	<u>24.6%</u>	<u>\$110,134</u>
Totals	8,759	100.0%	\$11,210,083	100.0%	\$1,280

BPOL Rates Charged by Localities Compared to Maximum Rate Allowable

<u>Locality</u>	Contracting	Retail	Repair, Personal, Business Svcs	Financial, Real Est., Prof. Svcs	Wholesale*
Cities					
# Using Fee Up to Threshold					
Amount	21	21	21	21	21
Maximum Rate Allowable	\$0.16	\$0.20	\$0.36	\$0.58	\$0.05
Median Rate	\$0.16	\$0.20	\$0.36	\$0.58	\$0.12
Number Using Max Rate	30	34	26	28	12
Number Above Max Rate	1	0	0	0	27
Number of Localities	39	39	39	39	39
Counties					
# Using Fee Up to Threshold					
Amount	33	33	33	33	33
Maximum Rate Allowable	\$0.16	\$0.20	\$0.36	\$0.58	\$0.05
Median Rate	\$0.12	\$0.15	\$0.20	\$0.31	\$0.05
Number Using Max Rate	13	11	5	6	27
Number of Localities	44	40	42	42	40
Towns					
# Using Fee Up to Threshold					
Amount	15	15	15	15	15
Maximum Rate Allowable	\$0.16	\$0.20	\$0.36	\$0.58	\$0.05
Median Rate	\$0.13	\$0.15	\$0.18	\$0.23	\$0.05
Number of Localities	112	113	112	111	106

**Some cities have grandfathered higher rates*