

For Immediate Release

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VIRGINIA SUPREME COURT'S RULING IN FAVOR OF PORTSMOUTH COMMISSIONER OF THE REVENUE HIGHLIGHTED AT CONFERENCE

Recently, at the annual Commissioners of the Revenue of Virginia conference, attorney Ray Warren, a former Deputy Commissioner of the Revenue, highlighted several Virginia court cases involving tax assessment rulings and their potential impact on localities.

One particular case of interest was cited as an example of the court ruling in favor of a Commissioner of the Revenue's assessment.

In *Virginia International, Inc. v City of Portsmouth* (Record No. 180810), the Virginia Supreme Court, in a unanimous decision, upheld the Commissioner of the Revenue's assessment of personal property taxes assessed to the Virginia International Gateway, Inc. in the City of Portsmouth. The decision involved mobile cranes (which are assessed as non-real estate personal property).

The Court ruling, in favor of the local assessing official, made the following findings:

- The Court found that the Portsmouth Commissioner of the Revenue used a proper methodology, specifically approved by the state legislature, in assessing the personal (non-real estate) property of Virginia International Gateway, Inc.
- The Court found that the Commissioner's office properly considered evidence submitted by VIG, and properly determined that the evidence was not sufficient to change the assessment.
- No insufficiency in procedure by the Commissioner's office was noted in the Court's discussion.

The Court's unanimous decision had no dissenting opinion.

The decision results in savings of over \$2.5 million in potential refund and interest payments that otherwise would have been paid to Virginia International Gateway if Portsmouth Commissioner of the Revenue, Franklin D. Edmondson, had agreed to lower the assessment, or if the Court had ruled against the Portsmouth Office of the Commissioner of the Revenue. Such loss of revenue would almost surely have required additional taxes on homeowners and businesses in the city.

"We are grateful to the Virginia Supreme Court for upholding our use of well established procedures to value property at the port terminal," said Commissioner Edmondson, "This decision is a win for consistency, fairness and equitability, across the board, for citizens and businesses in Portsmouth."

About Franklin D. Edmondson, MCR, Portsmouth Commissioner of the Revenue

The Portsmouth Commissioner of the Revenue, Franklin D. Edmondson, was elected to office in 2005 and began service in January 2006. Commissioner Edmondson is a graduate of George Mason University and brings considerable experience in banking and finance to the position.

In 2009, he earned his Master Commissioner of the Revenue Certificate from the University of Virginia's Weldon Cooper Center for Public Service, in concert with the Commissioners of the Revenue Association of Virginia, and has maintained his certification since that time.

Commissioner Edmondson is a past president of both the Commissioners of the Revenue Association of Virginia and the Virginia Association of Local Elected Constitutional Officers, and is a member of the International Association of Assessing Officers, the Virginia Association of Assessing Officers, and the Virginia Association of Local Tax Auditors.

About the Portsmouth Office of the Commissioner of the Revenue

The Commissioner of the Revenue serves as an elected constitutional officer and holds office as an agent for state and local government. The Portsmouth Office of the Commissioner of the Revenue is the city's chief assessment office and processes Business Licenses, Business Personal Property Accounts, Excise Tax Accounts, Personal Property Accounts, Residential Sales Permits and State Income Tax Returns annually.

The Portsmouth Office of the Commissioner of the Revenue maintains accreditation from the Commissioners of the Revenue Association of Virginia having consistently met association standards in exemplary customer service, established personnel and ethics policies, and fair and equitable assessment methods.