

To operate a farm in Prince William County, Virginia, you need to obtain a county business license, comply with zoning regulations and understand taxation requirements.

1. Register the Entity with the State Corporation Commission

All Corporations, Limited Partnerships, General Partnerships, or Limited Liability Companies conducting business in Virginia must register with the State Corporation Commission.

2. Register a Trade Name

Before a person (an individual or entity) may conduct or transact business in Virginia under a fictitious name, the person must file a certificate of assumed or fictitious name in the Office of the Clerk of the Commission. To register or to incorporate, contact:

State Corporation Commission
804-371-9967 or sccefile@scc.virginia.gov

3. Apply for a Zoning and Occupancy Approval

Generally, when operating a business, a Certificate of Occupancy, Home Occupation Certificate or Home Employment Certificate is required. To find out if a certificate is required for your business, contact:

Department of Development Services
5 County Complex Court
Woodbridge, VA 22192
703-792-6930

If a certificate is needed, a copy of the certificate must be provided when applying for a business license. (See below)

Please note that local zoning regulations are independent of local taxation. While a zoning permit may allow a farm to conduct multiple lines of businesses with one permit, business tax regulations require a separate business license for each business, even if all lines of businesses are operating at the same location.

4. Applying for a Prince William County Business License

All businesses are required to obtain a business license regardless of reported gross receipts.

To apply for a business license, you can visit the Prince William County Tax Administration office in person or email all the required documentation to taxpayerservices@pwcgov.org. You can download the forms at pwcva.gov/department/tax-administration/business-license.

New farms must file a business license application within 30 days of beginning business. Existing farms must renew and pay their business license every year by March 1.

For more comprehensive requirements, see publication 100-12 - Getting Your Prince William County Business License at bit.ly/pwc-business-license.

DEFINITIONS

As defined in Code of Virginia §3.2

Agricultural products: any livestock, aquaculture, poultry, horticultural, floricultural, viticulture, silvicultural, or other farm crops.

Agritourism activity: any activity carried out on a farm or ranch that allows members of the general public — for recreational, entertainment, or educational purposes — to view or enjoy rural activities, including farming, wineries, ranching, horseback riding, historical, cultural, harvest-your-own activities, or natural activities and attractions. An activity is an agritourism activity whether or not the participant paid to participate in the activity.

Agritourism professional: any person who is engaged in the business of providing one or more agritourism activities, whether or not for compensation.

Farm or ranch: one or more areas of land used for the production, cultivation, growing, harvesting or processing of agricultural products.

Farm produce or farm products: horticultural, viticulture, forestry, dairy, livestock, poultry, bee, and other products ordinarily produced on farms.

CONTACT US

Email:
Taxpayerservices@pwcgov.org

Phone:
703-792-6710

In-person or by mail:
Prince William County Department of Finance
Tax Administration Division
5 County Complex Court, Suite 140
Woodbridge, VA 22192



The Department of Finance, Tax Administration Division assesses Prince William County business taxes on business conducted in Prince William County, including home-based businesses.

Business License Tax

Prince William County levies a tax on new and existing businesses when they apply for or renew their business license.

Any business whose prior year gross receipts are \$500,000 and greater, or new businesses that expect their annual gross receipts to be \$500,000 and greater, will have a license tax due. Businesses with gross receipts less than \$500,000 will not have taxes due to obtain a license.

Business Tangible Personal Property Tax

Prince William County levies a tax on all tangible personal property located and used in a trade or business in Prince William County on January 1 of each year. This includes items such as furniture, fixtures, machinery, tools and computer equipment.

Business Tangible Personal Property returns must be filed every year by April 15. Payments are due on October 5.

Other Business Taxes

The following are taxes levied on industry-specific activities:

Machinery and Tools: Items used in a manufacturing, mining, water well drilling, processing or reprocessing, radio or television broadcasting, dairy, dry cleaning or laundry business, or a business primarily engaged in advanced recycling must file and pay Machinery and Tools taxes. Returns must be filed every year by April 15. Payments are due on October 5.

Food and Beverage: Taxes charged by a seller for prepared foods sold in Prince William County.

If your farm sells prepared food for service to the public, you must collect 4% tax from your customers and remit this tax to the County on or before the 20th of each month for taxes collected the previous month.

Transient Occupancy: A trust tax imposed on the occupancy of all rooms or spaces offered as guest rooms and rented out for continuous occupancy for fewer than 30 consecutive days.

If your farm rents rooms or spaces for fewer than 30 consecutive days, you must collect and remit this tax to the county on or before the last day of the month following each quarter collected.

Short-term Rental: If your farm owns tangible personal property including heavy equipment held for short term rental, you must obtain a certificate of registration and collect the Short-term Rental Tax from lessees to remit to the county every quarter before the last day of the following month.

Registering Your Farm for State Taxes

Retail Sales Tax: All sales, leases and rentals of tangible personal property in or for use in Virginia, as well as accommodations and certain taxable services, are subject to Virginia sales and use tax, unless an exemption or exception is established.

If your farm sells, leases, distributes or rents tangible personal property to customers in Virginia, you must register to collect and pay sales and Use tax.

To register contact:
 Department of Taxation Customer Service
 Office of Business Investment
 P.O. Box 1115
 Richmond, Virginia 23218
www.tax.virginia.gov

Business License Taxes	
Taxable	Gross receipts from sale of products, that are not grown or manufactured at the farm. Gross receipts must be \$500,000 or more for the license year beginning January 2018 and continuing for each subsequent license year.
	Gross receipts from the operation of separate lines of business activities such as, but not limited to, special activities, receptions and other social functions (e.g. entrance fees, event rental, wedding services, where a fee is charged), restaurants and lodging facilities. Gross receipts must be \$500,000 or more for the license year beginning January 2018 and continuing for each subsequent license year.
Non Taxable	Gross receipts from selling farm or domestic products or nursery products, provided such products are grown or produced by the farm offering them for sale.
	Gross receipts from a farm for the privilege of manufacturing and selling goods, wares and merchandise at wholesale at the farm.

Business Tangible Personal Property Tax	
Taxable	Farm machinery used in the growing and harvesting process at the farm. The current tax rate for this category is \$0.00001 per hundred of assessed value, resulting in a tax liability of \$0.
	Business equipment (furniture and fixtures, and office and computer and peripherals) of the farm.
	Business equipment (furniture and fixtures, and computer and peripherals) used in separate lines of businesses such as, but not limited to, special activities, receptions and other social functions (e.g. entrance fees, event rental, wedding services, where a fee is charged), restaurants, and lodging facilities.
Machinery & Tools Tax	
Taxable	Machinery and tools utilized in a manufacturing process at the farm location, including computers used as a part of the manufacturing process.

