

Compute and Record the Amount Due Using Form 759

Process

[PROCESS TAX DUE RETURNS IN THE LOCALITY](#)

Effective Date

01/01/2024

Purpose

This task provides specific instructions for using the Memorandum of Assessment (Form 759) to compute and record the customer's amount due. The Commissioner of the Revenue's Locality Representative performs this task for each tax due return processed with an outstanding balance greater than \$4.50, with or without payment, by the Commissioner of the Revenue.

The Treasurer's Office then computes and records any remaining penalty and interest that may be due throughout the year. The Special Notes and Procedure will provide information to be used when manually preparing the Form 759.

Special Notes

- In accordance with Section 58.1-307, **the Commissioner of the Revenue's Office** must send all taxpayer payments to the Treasurer's Office within 48 hours of receipt. (Refer to the [Code of Virginia](#) for additional detail.)
- In accordance with Section 2.2-806, the **Treasurer's Office** must deposit all taxpayer payments within 24 hours of receipt. (Refer to the [Code of Virginia](#) for additional detail.)
- The Commissioner of the Revenue's Office and the Treasurer's Office must perform this task in conjunction with Form 759 and the form's line by line instructions.
- The Commissioner of the Revenue Office should not complete a Form 759 for a tax due return (with or without payment) when the customer has indicated an amount for any of the following:
 - Consumer's Use Tax
 - Credit card payment
 - Amended Return
 - Contributions for Code 11, Code 71, Code 72, Code 73, Code 92, and any Public School Foundation Code.

NOTE: If any of the situations listed above are identified, the Commissioner of the Revenue's Office **MUST** send the return and any associated payment to TAX for DIRECT-file processing with a LAP-SORT 2 Form. Refer to TASK: [Open and Sort Mail in the Locality](#).

- A Form 759 should not be completed for tax due returns when no money was received and the outstanding balance is \$4.50 or less. The returns may be sent to TAX with a note requesting that the return be processed as "Direct File". Localities that capture all Memorandum Assessment information by their own automated system are not required to complete Form 759. The Commissioner of the Revenue and the Treasurer may mutually agree to enter a local item number on Form 759 for control purposes. TAX does not require or use this number. The Commissioner of Revenue's Office completes the monthly summary, Form 759-C, each month for TAX, DOA and the Treasurer's Office. Please refer to Form: [Form 759-C, Recapitulation Sheet for Individual and Fiduciary Taxes, and Instructions.](#)

Procedure

Responsibility

Commissioner of the Revenue's Office Locality Representative

Steps

1. Access Form 759 in Locality TARP.
NOTE: You may print and complete the form or save the fillable version to your computer and use the electronic version. Do not copy and use older copies of the form as this could result in problems with your Locality's Uncollectible List for the tax year.
Please refer to FORM: [Form 759, Memorandum of Assessment of State Income Taxes, and Instructions.](#)
2. Review tax due return with or without payment.
NOTE: The return will be reviewed in greater detail during the screening process.
3. Determine if the return information at the top of the return is complete.
 - Name
 - Address SSN or FEIN
 - Secondary Name, if applicable
 - Secondary SSN, if applicable
4. If information is missing or illegible, obtain the information by reviewing attachments or contacting the customer.
 - Review all attachments such as Form W-2s, schedules, etc.
 - Contact the customer by phone or e-mail to obtain the missing
5. Prepare the Form 759.
 - A. Complete Sections 1 and 2 following the line by line instructions for the form.
NOTE: You must use the most recent version of the Penalty and Interest calculation procedures in the form instructions. (Please refer to JOB AID: [Calculate Penalty and Interest on Individual Income Tax Returns.](#))
 - B. Make a copy of Form 759.
 - C. Place the copy of Form 759 for the Commissioner's Office use aside.
6. Determine if there is a payment with the return.
 - A. If no payment was received with the return,
 - 1) Place the completed Form 759 aside for the Treasurer's Office.
 - 2) Place the return aside.
 - 3) Go to **STEP 7.**
 - B. If a payment was received with the return, determine the form of payment.
 - 1) If the form of payment is cash, follow your local office procedures for handling cash.

- 2) If the form of payment is by check, verify the following:
 - Proper Payee
 - Proper Signature
 - Agreement of the amount expressed in words and numbers
- 3) If the check is deficient, attach a note stating the deficiency to the original Form 759.
- 4) Remove the payment from the return.
- 5) Write payment notations on the bottom of the return using **RED** ink:
 - a. Ensure the LTD bubble is filled in/an "X" appears on the LTD line.
NOTE: The LTD indicator is located in different areas for different Individual tax returns but is on Page 1 and in the lower portion of the page.
 - b. Write the associated payment amount on the \$_____ line.
NOTE: If no payment accompanied the return, ZERO "0" should be written on the \$_____ line.
 - c. Place the return aside.
- 6) Attach the check or money order to the remaining three copies of Form 759.
- 7) Place the completed, original Form 759 and remittance aside for the Treasurer.
7. Repeat **STEPS 1 - 6** until all tax due returns are completed.
8. Prepare the Forms 759 for delivery to the Treasurer's Office.
 - A. Gather the completed Forms 759 from **STEP 5B**.
 - B. Place the Forms, copies and remittances in the designated location to be delivered to the Treasurer's Office following your local office procedures.
9. Retrieve the Form 759 copies set aside in **STEP 5C** for the Commissioner's Office use.
 - A. Place the copies in alphabetical order according to the customer's last name.
 - B. File the Form 759 copies in the designated location in your office.
10. Retrieve the returns set aside in **STEPS 6A2) and 6B5)** and prepare the returns for screening and document preparation. Please refer to [PROCESS: SCREEN LOCAL FILED TAX RETURNS - TAX YEAR 2023](#).

Responsibility

Treasurer's Office Locality Representative

Steps

1. Receive the Forms 759, and payments, as applicable, from the Commissioner of the Revenue's Office.
2. Complete Section 3 of each Form 759 following the line by line instructions.
 Please refer to FORM: [Form 759, Memorandum of Assessment of State Income Taxes, and Instructions](#).
NOTE: You must use the most recent version of the Penalty and Interest calculation procedures. Please refer to JOB AID: [Calculate Penalty and Interest on Individual Income Tax Returns](#).
3. Process any payments received from the Commissioner of the Revenue's Office following local office procedures.
4. Store the Forms 759 in the designated area in the office.
NOTE: The Treasurer's Office will retrieve Forms 759 for updating of penalty and interest monthly.

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