

## Adjustment for Previous Year *For business begun 2023*

Every new business is required to estimate gross receipts. The adjustment calculation on the Renewal Application is to adjust estimated to actual gross receipts. The result will either be an increase in business license fees due (if the estimated gross receipts were less than actual gross receipts) or a credit against license fees due this year (if the estimated gross receipts exceeded the actual gross receipts). Adjustments are made based on the difference between actual gross receipts and estimated gross receipts.

### ***Example 1: CREDIT DUE TO BUSINESS OWNER***

An attorney opens a practice in March of 2023. Estimated gross receipts for 2023 were \$210,000; actual gross receipts were \$180,000. The adjustment for previous year is the estimated gross less the actual gross times the professional rate of 0.20%. The resulting adjustment is a credit of \$60.00 to 2024 BPOL fees.

|   |          |
|---|----------|
| <b>2023 actual</b>                        | 180,000  |
| <b>2023 estimated</b>                     | 210,000  |
| <b>difference</b>                         | - 30,000 |
| <b>professional rate</b>                  | 0.20%    |
| <br>                                      |          |
| <b>Total credit due to Business Owner</b> | -60.00   |
| <b>2024 Renewal Total Due</b>             | 300.00   |

### ***Example 2: BALANCE DUE TO TOWN OF LEESBURG***

A business services occupation business opened February of 2023. Estimated 2023 gross receipts were \$100,000; actual gross receipts were \$120,000. The adjustment for previous year is the estimated gross less the actual gross times the BSO rate of 0.20%. The resulting adjustment is a balance of \$220.00 added to the 2024 BPOL fees.

|   |         |
|---|---------|
| <b>2023 actual</b>                              | 120,000 |
| <b>2023 estimated</b>                           | 100,000 |
| <b>difference</b>                               | 20,000  |
| <b>BSO rate</b>                                 | 0.20%   |
| <br>  |         |
| <b>Adjusted Balance Due to Town of Leesburg</b> | 220.00  |
| <b>2024 Renewal Total Due</b>                   | 460.00  |

*If you need assistance in calculating your license fees, or have any other questions,  
please contact the Finance Department at (703) 771-2723.*