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1 **HOUSE BILL NO. 1080**

2 Offered January 14, 2026

3 Prefiled January 14, 2026

4 *A BILL to amend and reenact § 58.1-1805 of the Code of Virginia, relating to Department of Taxation;*  
5 *memorandum of lien for collection of taxes; time to process requested information.*

6 Patron—Webert

7 Committee Referral Pending

8 **Be it enacted by the General Assembly of Virginia:**9 **1. That § 58.1-1805 of the Code of Virginia is amended and reenacted as follows:**10 **§ 58.1-1805. Memorandum of lien for collection of taxes; release of lien.**11 A. If any taxes or fees, including penalties and interest, assessed by the Department of Taxation in  
12 pursuance of law against any person, are not paid within ~~thirty~~ 30 days after the same become due, the Tax  
13 Commissioner may file a memorandum of lien in the circuit court clerk's office of the county or city in which  
14 the taxpayer's place of business is located, or in which the taxpayer resides. If the taxpayer has no place of  
15 business or residence within the Commonwealth, such memorandum may be filed in the Circuit Court of the  
16 City of Richmond. A copy of such memorandum may also be filed in the clerk's office of all counties and  
17 cities in which the taxpayer owns real estate. Such memorandum shall be recorded in the judgment docket  
18 book and shall have the effect of a judgment in favor of the Commonwealth, to be enforced as provided in  
19 Article 19 (§ 8.01-196 et seq.) of Chapter 3 of Title 8.01, except that a writ of fieri facias may issue at any  
20 time after the memorandum is filed. The lien on real estate shall become effective at the time the  
21 memorandum is filed in the jurisdiction in which the real estate is located.22 No memorandum of lien shall be filed *(i) until at least 60 days after the Department has requested any*  
23 *information from the taxpayer that would otherwise alleviate the need for collection of such taxes or fees, (ii)*  
24 *until the Department has fully processed all requested information received by the Department regarding*  
25 *such taxpayer, and (iii) unless the taxpayer is first given ~~ten~~ 10 or more days' prior notice of intent to file a*  
26 *lien; however, in those instances where the Tax Commissioner determines that the collection of any tax,*  
27 *penalties, or interest required to be paid pursuant to law will be jeopardized by the provision of such notice,*  
28 *notification may be provided to the taxpayer concurrent with the filing of the memorandum of lien. Such*  
29 *notice shall be given to the taxpayer at his last known address. For purposes of this section, "last known*  
30 *address" means the address shown on the most recent return filed by or on behalf of the taxpayer or the*  
31 *address provided in correspondence by or on behalf of the taxpayer indicating that it is a change of the*  
32 *taxpayer's address.*33 B. Recordation of a memorandum of lien hereunder shall not affect the right to a refund or exoneration  
34 under this chapter, nor shall an application for correction of an erroneous assessment affect the power of the  
35 Tax Commissioner to collect the tax, except as specifically provided in this title.36 C. If after filing a memorandum of lien as required by subsection A, the Tax Commissioner determines  
37 that it is in the best interest of the Commonwealth, the Tax Commissioner may place padlocks on the doors of  
38 any business enterprise that is delinquent in either filing or paying any tax owed to the Commonwealth, or  
39 both. He shall also post notices of distraint on each of the doors so padlocked. If, after three business days,  
40 the tax deficiency has not been satisfied or satisfactory arrangements for payment made, the Tax  
41 Commissioner may cause a writ of fieri facias to be issued.42 It shall be a Class 1 misdemeanor for anyone to enter the padlocked premises without prior approval of  
43 the Tax Commissioner.44 In the event that the taxpayer against whom the distraint has been applied subsequently makes application  
45 for correction of the assessment under § 58.1-1821, the taxpayer shall have the right to post bond equaling the  
46 amount of the tax liability in lieu of payment until the application is acted upon.47 The provisions of subsection C shall be enforceable only after the promulgation, by the Tax  
48 Commissioner, of regulations under the Administrative Process Act (§ 2.2-4000 et seq.) setting forth the  
49 circumstances under which this subsection can be used.50 D. A taxpayer may appeal to the Tax Commissioner after a memorandum of lien has been filed under this  
51 section if the taxpayer alleges an error in the filing of the lien. The Tax Commissioner shall make a  
52 determination of such an appeal within fourteen days. If the Tax Commissioner determines that the filing was  
53 erroneous, he shall issue a certificate of release of the lien within seven days after such determination is  
54 made.

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