



STATE OF DELAWARE  
DEPARTMENT OF FINANCE  
DIVISION OF REVENUE  
601 Delaware Avenue  
Wilmington, Delaware 19899

TAX NEWSGRAM 76- 9

July 15, 1976

- Occupational & Business Licenses  
General Provisions - Chapter 21, Title 30, Delaware  
Code.

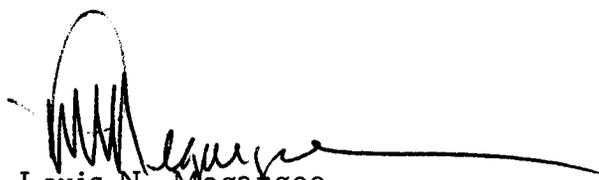
Under prior law the statutory period of limitations for assessment of a deficiency and for the filing of a claim for refund was three years "from the August 1 following the June 30" expiration date of the license. By legislation previously enacted the license year was changed from a fiscal year ending June 30 to a calendar year ending December 31. Under House Bill No. 816, approved July 8, 1976, the statutory period of limitations for assessment (Section 2103 (e)) and for filing claims for refund (Section 2108 (a)) is amended to reflect this change by providing that the statutory period will expire within three years "from the expiration date of the license."

House Bill No. 816 also amends Section 2108 (b), 30 Delaware Code, to revise and clarify the procedures regarding administrative action on claims for refund and rights of the taxpayer to protest or appeal determinations of the Division of Revenue. It provides that a determination by the Division of Revenue disallowing a claim for refund shall become final after 30 days unless the taxpayer files a written protest with the Division of Revenue or a petition for review with the Tax Appeal Board within such period. If a protest is filed, the taxpayer shall have 30 days from the date of the determination notice from the Director of Revenue with respect to the protest within which to file a petition for review with the Tax Appeal Board. If a claim for refund is not acted upon by the Division of Revenue within 90 days, the taxpayer may consider it denied and file a petition with the Tax Appeal Board.

House Bill No. 816 also adds a new Section 2121 to Chapter 21, Title 30, which provides for prorationing of the basic annual



license fee (generally \$50) in the case of persons filing new applications for a business or occupational license for the first time under Chapter 23, Chapter 27, Chapter 29 or Chapter 43. In such instances, the basic annual fee will be prorated in accordance with the number of months that have expired in the license year. For example, a person who starts a new business and applies for a license on October 10, 1976, would be required to pay 3/12 of the annual fee for the license year expiring December 31, 1976. Upon renewal of the license on January 1, 1977, the fee would be \$50 for the full calendar year. This law is effective as of July 9, 1976.



Louis N. Megargee  
Director of Revenue

RRS/mrs

DISTRIBUTION: B AND C