

ARTICLE XIV. TECHNOLOGY ZONE

DIVISION 1. GENERAL PROVISIONS

Sec. 33-92. Purpose.

The City of Falls Church finds that the development of its commercial and industrial tax base requires incentives, and determines that an appropriate method of offering incentives for the city is to create a technology zone, as guided and authorized by the Code of Virginia section 58.1-3850. The city believes that the establishment of a technology zone will improve the economic conditions of Falls Church which would benefit the welfare of the citizens of Falls Church.

(Ord. No. 1594, 12-22-97)

Sec. 33-93. Administration.

The administrator of the Falls Church technology zone shall be the executive director of the Falls Church economic development authority (EDA). The administrator, in consultation with the commissioner of the revenue, shall determine and published the procedures for obtaining the benefits created by this chapter and for the administration of this chapter.

The administrator shall be the single point-of-contact for qualified businesses to take advantage of the technology zone incentive described in this article, and shall provide recommendations as necessary to streamline the processes for a business to qualify and obtain the incentive.

(Ord. No. 1594, 12-22-97)

Sec. 33-94. Definitions.

For the purposes of this article, the following words and phrases shall have the following meanings, unless clearly indicated to the contrary:

Qualified technology business. The term qualified technology business shall be companies or identifiable subdivisions of companies that have fifty (50) percent or more of its gross receipts derived from research, development, manufacture or rendering of advanced technological products or services. (Definition from the Northern Virginia Technology Council's Qualifications for Membership).

In no case shall the use of computers or telecommunication services by a business in its administrative operations qualify the business as a technology business.

This creation of a technology zone does not affect any other existing requirements for businesses, such as zoning regulations.

Existing companies within the boundaries of the city which qualify under any of the criteria set forth above shall be qualified as a technology company. A company meeting the criteria which moves into the city shall also qualify.

(Ord. No. 1594, 12-22-97)

Sec. 33-95. Boundaries.

The technology zone shall be the City of Falls Church.

(Ord. No. 1594, 12-22-97)

Secs. 33-96--33-100. Reserved.

DIVISION 2. TAX EXEMPTION

Sec. 33-101. Taxes eligible for exemption.

Qualified technology businesses shall be exempted from the following local taxes:

The business, professional and occupational license taxes and fees imposed by Chapter 18 of the Code of the City of Falls Church that would otherwise be imposed on income derived from research, development, manufacture or rendering of advanced technological products or services.

(Ord. No. 1594, 12-22-97)

Sec. 33-102. Amount of exemption.

Qualified technology businesses shall be exempt for three (3) consecutive calendar years from the taxes identified in section 33-101. Year 1 is the calendar year in which the business becomes a qualified technology business if it qualified prior to June 30 of the year. Otherwise, Year 1 shall be the year following the year in which the business becomes a qualified technology business. Qualified technology businesses shall receive the exemption established by this article for three (3) years. Once a business has qualified as a technology business, it or its principal owners shall not be entitled to additional periods of three (3) years or any parts thereof. If a business ceases to be a qualified technology business during a year in which the rebates or exemptions apply, they shall be prorated for the months the business was a qualified technology business.

(Ord. No. 1594, 12-22-97)

Sec. 33-103. Procedure for tax exemption.

The business shall submit application to the administrator for certification as a qualified technology business. The application must be made within twelve (12) months of the month in which the applicant met the definition of a qualified technology business. The administrator shall submit the application to the commissioner of revenue for review. After the commissioner reviews the application and determines that no other unpaid taxes are outstanding, the business shall be certified by the administrator as a qualified technology business and shall be entitled to the exceptions created by this article.

(Ord. No. 1594, 12-22-97)

Sec. 33-104. Compliance.

Failure of the business to pay in full by the due date any taxes imposed by the city shall

result in the loss of the exemption for the remainder of the current year upon a finding by the administrator that such delinquency is significant. The City of Falls Church reserves the right to withdraw qualified technology business status for any business that is not compliant with any city ordinance, regulation, or other legal requirement.

(Ord. No. 1594, 12-22-97)

Secs. 33-105--33-110. Reserved.

DIVISION 3. EDUCATION AND PROMOTION

Sec. 33-111. Education and promotion.

The Administrator or his designee shall develop programs to educate the public and potential businesses of the benefits of the technology zone. It is the intention of council that the technology zone and related technology-based benefits of the City of Falls Church be promoted regionally, nationally and internationally. The administrator or his designees shall carry out such promotion with the advice and assistance of the economic development entities in the community and in cooperation with computer and telecommunications businesses participating in the technology zone.

(Ord. No. 1594, 12-22-97)