

**Purpose of Form:** Use Form 502V to pay withholding tax, penalties and interest when payment is made with Form 502, Pass-Through Entity Return of Income and Return of Nonresident Withholding Tax. Form 502V should only be used when sending a payment with the return. Form 502W is used to make a withholding payment prior to filing the return of income, Form 502. This will occur most often when the PTE utilizes the automatic extension to file. Do not enclose Form 502W with your return (Form 502). Instead use Form 502V to make payment with your return.

**Extension Penalty** - The pass-through entity must pay at least 90% of the withholding tax due by the return due date to avoid a penalty. If the return is filed within the six month extension and less than 90% of the tax was paid by the original return due date, then the pass-through entity owes an extension penalty. The penalty is 2% per month of the tax due with the return from the filing due date through the date of payment, up to a maximum of 12%.

**Late Filing Penalty** - If the return is filed after the extended due date, the extension is not valid, and the entity is subject to the late filing penalty of 30% of the tax due or \$1,200, whichever is greater.

**Late Payment Penalty** - If the return is filed within the extended period and full payment is not included with the return, the entity is subject to the late payment penalty of 6% per month from the date the return is filed through the date of payment, up to a maximum of 30%.

**Interest** - Interest is due on any unpaid tax at the underpayment rate under IRC § 6621, plus 2%, from the due date until paid.

**When to File:** The withholding tax payment is due on the due date of the pass-through entity's return regardless of whether the extension to file the income return (Form 502) is used. For calendar year filers, the withholding tax payment is due April 15 following the close of the entity's taxable year.

**Change of Ownership:** If there has been a change of ownership, send a notice of change to the **Virginia Department of Taxation, PO Box 1114, Richmond, Virginia 23218-1114**. You can register a new dealer and/or locations, by either completing a Form R-1, Business Registration Application, or electronically using iReg on the Department's website, **[www.tax.virginia.gov](http://www.tax.virginia.gov)**. The Form R-1 can be obtained from the Department's website or by calling the Department's Forms Request Unit at (804) 440-2541.

**Change of Address/Out-of-Business:** If you change your business mailing address or discontinue your business, either send a completed Form R-3, Registration Change Request or a letter to the **Virginia Department of Taxation, PO Box 1114, Richmond, Virginia 23218-1114**. A Form R-3 can be obtained from the Department's website, **[www.tax.virginia.gov](http://www.tax.virginia.gov)**, or by calling the Department's Forms Request Unit at (804) 440-2541.

**Questions:** If you have any questions about this return, please call (804) 367-8037 or write the **Virginia Department of Taxation, PO Box 1115, Richmond, Virginia 23218-1115.**

**Preparation of Voucher:** Complete the pass-through entity's federal employer identification number (FEIN), entity type, ending month and year and name and address information. Enter the date and telephone number.

Compute the total income amount (including additions and subtractions) on all nonresident owners based on the best available information of their expected share of Virginia source income for 2012. Multiply the total income amount by 5% to determine the withholding tax due. Apply any tax credits available to the nonresident owners' withholding tax. The remaining amount of withholding tax is the amount due with the return. If the return is filed after the due date, complete Page 2 of Form 502 to calculate penalty and interest due with the return.

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