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CELEBRATING 20 YEARS OF SERVICE

Celebrating 20 years is a meaningful milestone, made possible by the dedication of our team and the trust and partnership of our clients. Over the past two decades, we have:

- Built long-term partnerships with municipalities and organizations
- Adapted to evolving legislative changes and industry standards
- Continuously improved our services to meet changing client needs
- Maintained a strong commitment to accuracy, integrity, and excellent service

This anniversary is not only a time to reflect on how far we've come, but also an opportunity to look ahead. It reinforces our commitment to continued innovation, responsive service, and being a trusted partner to our clients in the years ahead.

LOOKING AHEAD



As we look to the future, we remain focused on:

- Enhancing service efficiency and improving taxpayer experiences through new call center technology. You can read more about this in our Tech Talk section.
- Strengthening client relationships through webinars, in-person training, ongoing communication, and dedicated support.

We're excited about what lies ahead and grateful to have you with us on this journey.

UPCOMING DATES

JUNE 14-17

TAV Conference

AUGUST 4-5

TAV Collections Class,
Staunton

AUGUST 12

Client Training Webinar

OCTOBER 20

In-Person Client Training,
Roanoke

OCTOBER 21

TAV Bankruptcy Class,
Roanoke

LET'S CONNECT

As we prepare for the TAV Conference in June, we're excited about the opportunity to reconnect, strengthen relationships, and engage with our clients in meaningful ways. Events like this offer more than just industry updates—they provide a valuable platform to collaborate, listen, and grow together. It's a chance for us to step outside of day-to-day interactions and connect face-to-face, building trust and reinforcing the partnerships that drive our shared success.

For our team, the conference isn't just about attendance—it's about being intentional with every conversation. Whether it's catching up on your latest initiatives, discussing challenges, or exploring future opportunities to support you, we value every interaction.

We encourage you to **schedule time with us at the conference** or simply stop by to say hello.



OUR COMMITMENT TO COMMUNITY

Giving Back: TACS Volunteers at a Local Animal Shelter

At the heart of our organization is a commitment not only to our clients, but also to the communities we serve. Our staff recently took the opportunity to step away from our desks and lend a helping hand where it was truly needed—by volunteering at a local animal shelter.

Our volunteers spent the day supporting the shelter staff with a variety of hands-on activities. From walking dogs and socializing cats to cleaning kennels and organizing supplies, every task contributed to creating a safe, comfortable environment for the animals awaiting their forever homes. Our group also brought donated items, including food, treats, and supply gift cards, to help meet some of the shelter's most immediate needs.

Animal shelters play a critical role in our community, providing care, protection, and second chances to hundreds of animals each year. By volunteering our time, we were able to support that mission in a meaningful way.

This experience reflects one of our core values: making a positive impact beyond the workplace. Whether it's through volunteerism, donations, or community partnerships, we are proud to support causes that matter.



Purpose-Built, Future-Ready Technology

At TACS, technology is central to our approach—not added as an afterthought. We've invested in information technology that is reshaping the future of collections. Our systems are built for government collections, designed to scale as portfolios grow, statutes evolve, and taxpayer expectations change.

We intentionally build and integrate systems that are:

- Flexible enough to support new collection types and payment methods
- Scalable to handle volume increases without disruption
- Configurable to align with each locality's statutory and operational requirements

TACS has invested heavily in multichannel communication strategies that allow taxpayers to interact with their accounts in the way that is most convenient and effective for them. Rather than relying on a single method of outreach, we support a coordinated approach that can include secure digital notices, email, text messaging, online portals, and traditional correspondence, always governed by client policy and legal requirements.

This approach improves:

- Responsiveness and engagement
- Payment timeliness and compliance
- Transparency and trust between taxpayers and local governments

From our clients' perspective, this means higher recovery with fewer escalations and reduced strain on internal staff.

INSIDE TACS: GROWTH, NEWS, AND MORE

Security and Trust: SOC 2 Certification as a Baseline, Not a Check-the-Box

This initiative was anchored by a simple principle: security comes first.

TACS operates in a secure environment validated by an independent SOC 2 examination, which demonstrates that our internal controls meet rigorous standards for security, availability, and confidentiality.

For our clients, this means:

- Sensitive taxpayer data is protected through tested, audited controls
- Systems are monitored, resilient, and designed for continuity
- Technology decisions are evaluated through the lens of risk, compliance, and long-term sustainability



We view our SOC 2 certification not as a finish line, but as a foundation. It is a baseline that supports continued innovation without compromising trust.

Update to Our Wage Liens Policy and Procedures



Virginia Wage Lien Law Update – Effective July 1, 2026

As many of you are aware, Virginia recently passed legislation (HB 1100 / SB 597) that significantly changes how treasurer wage liens are applied.

Effective July 1, 2026, wage liens for delinquent local taxes will generally be limited to 25% of disposable earnings per pay period. This change brings tax liens more in line with standard garnishment limits already used in many non-tax collection situations.

Exceptions to the 25% Limit

The law provides several important exceptions where the 25% cap may not apply:

- Higher-Income Taxpayers: If a taxpayer's income exceeds 250% of the federal poverty guidelines, the limitation may be lifted.
- Evasion or Bad Faith: The cap may not apply if a court determines the taxpayer may:
 - Flee the jurisdiction, or
 - Conceal or improperly transfer assets to avoid payment
- Trust Taxes: Funds collected but held in trust for the locality are not subject to the 25% limitation.

Operational Update

TACS will be issuing all liens, except for trust taxes, at 25%. This reduction in lien percentage should not have a significant impact on collections. There are, however, two other changes that may have more of an impact. First, the lien must exempt 40 times the minimum hourly wage from the lien. Therefore, low or primarily tipped earners may not have enough disposable income to reach their pay. The lien will also now be in line behind any existing garnishments or other wage orders. A Treasurers Lien will not be effective against a delinquent taxpayer subject to a child support order or prior garnishments.

We feel it is not necessary to spell out the exact amount of wages that are exempt from the reach of the Lien as employers have been handling garnishments for years subject to these same limitations.

HELPFUL REMINDERS

FAQ Highlight: What additional actions can be taken to collect delinquent trust taxes?

As your collections attorney, we receive this question often. When administrative collection efforts do not resolve an outstanding trust tax delinquency, localities may have an additional tool available. Under Virginia law, a locality may assess personal liability against a responsible officer when a business lacks sufficient assets to satisfy the debt, but the individual responsible for paying the taxes had the authority and means to do so.

Who qualifies as a responsible officer? Virginia Code 58.1-1813 defines a responsible officer for corporate taxes as an officer of a corporation, partnership, or limited liability company who has a duty to act on behalf of the business, knowledge of the unpaid taxes, and the authority to prevent the failure to pay those taxes.

What is the next step? One practical approach is to document the responsible officer as an additional liable party associated with the existing delinquent account. Virginia Code 58.1-3906 authorizes the assessment of a penalty equal to the amount of the unpaid tax. Localities should work closely with the assessor to complete the assessment process.

It is also advisable to maintain a detailed record supporting any determination of willful failure to pay. At a minimum, the file should include the name of the taxpayer or entity assessed, the results of SCC searches or interrogatories used to identify the responsible officer, mailing addresses, the dates responsible officer notices were sent, copies of those notices, the signed determination by the assessing official, and any additional facts showing that the responsible officer knew of the delinquency, had the authority to correct it, and failed to take appropriate action.

If you would like to learn more about this administrative collection tool, please contact us to schedule an attorney consultation.