



ARLINGTON COUNTY, VIRGINIA

**County Board Agenda Item
Meeting of April 24, 2010**

REVISED REPORT

DATE: April 21, 2010

SUBJECT: Adopt the CY 2010 real estate tax rate and the commercial real estate tax rate.

REVISION EXPLANATION: The revised report reflects a slight increase in the growth of the FY 2011 adopted budget over the FY 2010 revised budget level.

C. M. RECOMMENDATIONS:

1. Adopt a Calendar Year (CY) 2010 real estate tax rate of \$0.945 per \$100 of assessed value using the attached resolution (Attachment I).
2. Ratify the commercial real estate tax for transportation initiatives at the existing rate of \$.125 per \$100 using the attached resolution (Attachment I).

ISSUE: What real estate tax rates should the County Board adopt?

SUMMARY: After a lengthy public review process that included worksessions, public hearings, input from residents, employees, boards and commissions, and updated revenue forecasts based on mid-year and third-quarter updates, the County Board, after deliberations, has approved a FY 2011 budget that is balanced at a real estate tax rate of \$0.945 per \$100 of assessed value. A public hearing on this matter was held and completed on March 25, 2010.

The overall assessed value for all properties in the County is down 7.2%, while the average home value is down 3.25% over last year. At a real estate rate of \$0.958, which includes the base rate plus a \$.013 cent tax rate for stormwater, the average Arlington homeowner would pay \$4,821 per year in real estate taxes, a \$270 or 5.9% increase over CY 2009. At this real estate tax rate, the total general fund budget would increase by \$7.6 ~~\$9.1~~ million or ~~0.8%~~ **1.0%** from the FY 2010 revised budget, including carryovers from prior years.

No changes are recommended for the commercial real estate tax for transportation over the adopted level of \$.125 per \$100. The sanitary district tax for stormwater is discussed in a separate board report.

Attachment I is the resolution fixing the County real estate tax levy.

County Manager: _____

County Attorney: _____

Staff: Richard Stephenson, Budget Director, Department of Management and Finance
Jon Altshul, Revenue Analyst, Department of Management and Finance

37. B.

**ATTACHMENT I
ARLINGTON, VIRGINIA
#1 COURTHOUSE PLAZA**

RESOLUTION FIXING COUNTY REAL ESTATE LEVY

BE IT RESOLVED AND ORDERED by the County Board of Arlington County, Virginia, that there is hereby levied for the tax year (CY) 2010, a tax of \$0.945 per one hundred dollars of assessed valuation of all taxable real estate located in this County for County and School purposes. The levy hereby ordered is also applicable to real estate of the public service corporations based upon the assessment thereof by Arlington County, the State Corporation Commission, and the State Department of Taxation, and duly certified.

IT IS FURTHER ORDERED that such taxes, when and if appropriated by the County Board of this County, shall be used to defray the County and School charges and expenses and all necessary charges incident to or arising from the execution of the lawful authority of the County Board of Arlington, and

IT IS FURTHER ORDERED that such taxes for County and School purposes appropriated or unappropriated and unused to defray County and School charges and expenses shall return to the General Fund of the County to be used to defray County and School charges and expenses and all necessary charges incident to or arising from the execution of the lawful authority of the County Board of Arlington County for the next fiscal year.

IT IS FURTHER ORDERED that the real estate tax on properties used for or zoned to permit commercial and industrial purposes codified in § 20-6(c) of the Arlington County Code be maintained at the existing rate \$.125 per one hundred dollars of assessed value.