



## ARLINGTON COUNTY, VIRGINIA

County Board Agenda Item  
Meeting of April 21, 2012

### SUPPLEMENTAL REPORT

**DATE:** April 18, 2012

**SUBJECT:** Adopt the Calendar Year 2012 personal property tax rate and the allocation method of the State's vehicle tax relief provided to Arlington County.

#### **C. M. RECOMMENDATIONS:**

- 1) Adopt a Calendar Year 2012 personal property tax rate of \$5.00 per \$100 of assessed value using the attached resolution (Attachment I) and \$ 0.958 per \$100 of assessed value for public service corporations.
- 2) Adopt a Calendar Year 2012 resolution (Attachment II) fixing the methodology that shall be utilized in distributing the State's fixed block grant, including additional relief provided to qualifying clean fuel vehicles of 60 percent of the tax bill from \$3,001 to \$20,000 of value and additional relief provided to qualifying vehicles equipped to transport the disabled of 50 percent of the tax bill from \$3,001 to \$20,000 of value.

**DISCUSSION:** The County Board has set the CY 2012 base real estate tax rate of \$0.958 per \$100 of assessed real property value. Therefore, the public service corporation and manufactured homes tangible personal property tax rate must also be set at \$0.958 per \$100 of assessed personal property value.

The general personal property tax rate for CY 2012 is set at \$5.00 per \$100 of assessed value.

The revenue generated from personal property taxes is \$99,152,359 and is included in the FY 2013 budget.

Attachment I: "Resolution Fixing County Personal Property Levy" has been revised to reflect the tangible personal property tax rate of \$0.958 for public service corporations and manufactured homes.

County Manager:

*BMD/mjs*

County Attorney:

*[Signature]*

41. C.

Staff: Richard Stephenson, Budget Director, Department of Management and Finance

**RESOLUTION FIXING COUNTY PERSONAL PROPERTY LEVY**

**IT IS HEREBY RESOLVED AND ORDERED** by the County Board of Arlington County, Virginia, as follows:

1. That there be levied for the year 2012 a tax of \$5.00 per one hundred dollars of assessed valuation on all taxable tangible personal property as defined in Sections 58.1-3500, 58.1-3501, 58.1-3502, 58.1-3503, 58.1-3506 and on machinery and tools as defined by Section 58.1-3507 of the Code of Virginia, except as otherwise provided in this paragraph. Without any limitation on the foregoing provisions, such property shall be considered to include all automobiles and trucks of public service corporations based upon the duly certified assessment thereof by the State Corporation Commission. Excluded from the levy of this paragraph (1) are the following:

- (a) All other personal property of public service corporations;
- (b) All classes of household goods and personal effects as classified by Section 58.1-3504 of the Code of Virginia; and
- (c) Manufactured homes as defined in Section 36-85.3 of the Code of Virginia.

2. That pursuant to Section 58.1-3506.A.10. there be levied for the calendar year 2012 a tax at the rate of \$0.958 per \$100 of assessed value on all manufactured homes as defined in Section 36-85.3 of the Code of Virginia and pursuant to Section 58.1-2606 on all other tangible personal property of public service corporations based upon the duly certified assessment of the State Corporation Commission.

**IT IS FURTHER ORDERED** hereby that such taxes are levied for County and School purposes, and, 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 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 charges and expenses on 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.

Hope Halleck, Clerk  
Arlington County Board

**RESOLUTION ALLOCATING STATE PERSONAL PROPERTY TAX RELIEF MONIES**

**IT IS HEREBY RESOLVED AND ORDERED** by the County Board of Arlington County, Virginia, as follows:

1. In accordance with the requirements set forth in Section 58.1-3524(c)(2) and Section 58.1-3912(E) of the Code of Virginia, as amended by Chapter 1 of the Acts of Assembly (2004 Special Session 1) and as set forth in Item 503.E (Personal Property Tax Relief Program) of Chapter 951 of the 2005 Acts of Assembly any qualifying vehicle having situs within the County commencing January 1, 2012, shall receive personal property tax relief in the following manner:
  - Qualifying vehicles shall receive 100% tax relief on the first \$3,000 of value, and the balance of relief then being equally distributed for each dollar of value up to \$20,000 in value. For any value of a qualifying vehicle in excess of \$20,000, there shall be no tax relief. The relief to be equally “distributed” shall mean the funds provided by the Commonwealth specifically for such tax relief.
  - All other vehicles which do not meet the definition of “qualifying” will not be eligible for any form of tax relief under this program.
  - Qualifying vehicles defined by the State’s Department of Motor Vehicles as clean special fuel vehicles shall receive 100% tax relief on the first \$3,000 of value. These vehicles shall also receive 60% tax relief for each dollar of value from \$3,001 to \$20,000. For any value of a qualifying vehicle in excess of \$20,000, there shall be no tax relief.
  - Qualifying vehicles defined by the Arlington County Commissioner of Revenue’s Office for motor vehicles specially equipped to provide transportation for physically handicapped (language referenced in the State’s code) individuals shall receive 100% tax relief on the first \$3,000 of value. These vehicles shall also receive 50% tax relief for each dollar of value from \$3,001 to \$20,000. For any value of a qualifying vehicle in excess of \$20,000, there shall be no tax relief.
2. In accordance with Item 503.D.1, the entitlement to personal property tax relief for qualifying vehicles for tax year 2005 and all prior tax years shall expire on September 1, 2006. Supplemental assessments for tax years 2005 and prior that are made on or after September 1, 2006 shall be deemed “non-qualifying” for purposes of state tax relief and the local share due from the taxpayer shall represent 100% of the tax assessable.

Hope Halleck, Clerk  
Arlington County Board