

EXHIBIT NO. 1

~~22~~
~~4-22-08~~ ~~28.1~~
~~3-11-08~~
3/11/08
3
5-5-08

Introduction and first reading:
Public hearing:
Second reading and enactment:

INFORMATION ON PROPOSED ORDINANCE

Title

AN ORDINANCE to amend and reordain Section 3-2-181 (LEVIED; AMOUNT) of Division 1 (REAL ESTATE), and Section 3-2-221 (LEVIED ON TANGIBLE PERSONAL PROPERTY OTHER THAN MOBILE HOMES, AUTOMOBILES, TRUCKS, ANTIQUE MOTOR VEHICLES, TAXICABS, MOTOR VEHICLES WITH SPECIALLY DESIGNED EQUIPMENT FOR USE BY THE HANDICAPPED, MOTORCYCLES, CAMPERS AND OTHER RECREATIONAL VEHICLES, BOATS AND TRAILERS; AMOUNT), Section 3-2-222 (LEVIED ON MACHINERY AND TOOLS USED IN MINING OR MANUFACTURING BUSINESS; AMOUNT), Section 3-2-223 (LEVIED ON MOBILE HOMES; AMOUNT) and Section 3-2-224 (LEVIED ON AUTOMOBILES, TRUCKS, TRAILERS, SEMI-TRAILERS, ANTIQUE MOTOR VEHICLES, TAXICABS, MOTORCYCLES, CAMPERS AND OTHER RECREATIONAL VEHICLES, BOATS AND TRAILERS; AMOUNT) of Division 3 (TANGIBLE PERSONAL PROPERTY AND MACHINERY AND TOOLS), all of Article M (LEVY AND COLLECTION OF PROPERTY TAXES), Chapter 2 (TAXATION), Title 3 (FINANCE, TAXATION AND PROCUREMENT) of The Code of the City of Alexandria, Virginia, 1981.

Summary

The proposed ordinance sets the city's 2008 general tax rates for real property and tangible personal property. The ordinance sets the 2008 real property tax rate at \$ _____ on each \$100 of assessed value, compared with the 2007 rate of \$0.830. Personal property tax rates are unchanged from 2007. City Council has the authority to lower the tax rates set forth in the ordinance.

Sponsor

Staff

Mark Jinks, Deputy City Manager
Laura Triggs, Director of Finance
Bruce Johnson, Director of Management and Budget
Ignacio B. Pessoa, City Attorney

1 Authority

2
3 Article X, § 4, Virginia Constitution
4 §§ 2.02(a)(1), 6.15 Alexandria City Charter
5

6
7 Estimated Costs of Implementation
8

9 None
10

11 Attachments in Addition to Proposed Ordinance and its Attachments (if any)
12

13 None

ORDINANCE NO. _____

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2
3 AN ORDINANCE to amend and reordain Section 3-2-181 (LEVIED; AMOUNT) of Division 1
4 (REAL ESTATE), and Section 3-2-221 (LEVIED ON TANGIBLE PERSONAL
5 PROPERTY OTHER THAN MOBILE HOMES, AUTOMOBILES, TRUCKS, ANTIQUE
6 MOTOR VEHICLES, TAXICABS, MOTOR VEHICLES WITH SPECIALLY DESIGNED
7 EQUIPMENT FOR USE BY THE HANDICAPPED, MOTORCYCLES, CAMPERS AND
8 OTHER RECREATIONAL VEHICLES, BOATS AND TRAILERS; AMOUNT), Section 3-
9 2-222 (LEVIED ON MACHINERY AND TOOLS USED IN MINING OR
10 MANUFACTURING BUSINESS; AMOUNT), Section 3-2-223 (LEVIED ON MOBILE
11 HOMES; AMOUNT) and Section 3-2-224 (LEVIED ON AUTOMOBILES, TRUCKS,
12 TRAILERS, SEMI-TRAILERS, ANTIQUE MOTOR VEHICLES, TAXICABS,
13 MOTORCYCLES, CAMPERS AND OTHER RECREATIONAL VEHICLES, BOATS
14 AND TRAILERS; AMOUNT) of Division 3 (TANGIBLE PERSONAL PROPERTY AND
15 MACHINERY AND TOOLS), all of Article M (LEVY AND COLLECTION OF
16 PROPERTY TAXES), Chapter 2 (TAXATION), Title 3 (FINANCE, TAXATION AND
17 PROCUREMENT) of The Code of the City of Alexandria, Virginia, 1981.
18

19 THE CITY COUNCIL OF ALEXANDRIA HEREBY ORDAINS:
20

21 Section 1. That Section 3-2-181 of The Code of the City of Alexandria, Virginia, 1981,
22 as amended, be, and the same hereby is, amended and reordained to read as follows:
23

24 Sec. 3-2-181 Levied; amount.
25

26 There shall be levied and collected for the calendar year ~~2007~~ 2008 on all real estate
27 located within the territorial boundaries of the city and subject to taxation for city purposes under
28 the constitution and laws of this state and city, a tax of ~~\$.830~~ \$ _____ on each \$100 of the
29 assessed value thereof, for the support of the city government, for the payment of principal and
30 interest of the city debt and for other municipal expenses and purposes.
31

32 Section 2. That Section 3-2-221 of The Code of the City of Alexandria, Virginia, 1981,
33 as amended, be, and the same hereby is, amended and reordained to read as follows:
34

35 Sec. 3-2-221 Levied on tangible personal property other than mobile homes, automobiles,
36 trucks, antique motor vehicles, taxicabs, motor vehicles with specially designed
37 equipment for use by the handicapped, motorcycles, campers and other
38 recreational vehicles, boats and boat trailers; amount.
39

40 There shall be levied and collected for the calendar year ~~2007~~ 2008 on all tangible
41 personal property, other than mobile homes, automobiles, trucks, antique motor vehicles,
42 taxicabs, motor vehicles with specially designed equipment for use by the handicapped,
43 motorcycles, campers and other recreational vehicles, boats and trailers, owned or held by
44 residents or citizens of the city or located within the territorial boundaries of the city or otherwise
45 having a situs within the city and subject to taxation for city purposes under the constitution and
46 laws of this state and city, a tax of \$4.75 on every \$100 of assessed value thereof, for the support

1 of the city government, for the payment of principal and interest of the city debt and for other
2 municipal expenses and purposes.

3
4 Section 3. That Section 3-2-222 of The Code of the City of Alexandria, Virginia, 1981,
5 as amended, be, and the same hereby is, amended and reordained to read as follows:

6
7 Sec. 3-2-222 Levied on machinery and tools used in mining or manufacturing business;
8 amount.

9
10 There shall be levied and collected for the calendar year ~~2007~~ 2008 on all machinery and
11 tools used in a mining or manufacturing business taxable on capital and subject to taxation for
12 city purposes under the constitution and laws of this state and city, a tax of \$4.50 on each \$100 of
13 assessed value thereof, for the support of the city government, for the payment of principal and
14 interest of the city debt and for other municipal expenses and purposes.

15
16 Section 4. That Section 3-2-223 of The Code of the City of Alexandria, Virginia, 1981,
17 as amended, be, and the same hereby is, amended and reordained to read as follows:

18
19 Sec. 3-2-223 Levied on mobile homes; amount.

20
21 There shall be levied and collected for the calendar year ~~2007~~ 2008 on all vehicles
22 without motor power, used or designed to be used as mobile homes as defined in section 46.2-
23 100 of the Code of Virginia, owned or held by residents or citizens of the city or located within
24 the territorial boundaries of the city or otherwise having a situs within the city and subject to
25 taxation for city purposes under the constitution and laws of this state and city, a tax of ~~\$.830~~
26 \$ _____ on each \$100 of assessed value thereof, for the support of the city government, for the
27 payment of principal and interest of the city debt and for other municipal expenses and purposes.

28
29 Section 5. That Section 3-2-224 of The Code of the City of Alexandria, Virginia, 1981,
30 as amended, be, and the same hereby is, amended and reordained to read as follows:

31
32 Sec. 3-2-224 Levied on automobiles, trucks, trailers, semi-trailers, antique motor vehicles,
33 taxicabs, motorcycles, campers and other recreational vehicles, boats and trailers;
34 amount.

35
36 (a) Except as provided in subsections (b), (c) and (d), there shall be levied and collected
37 for the calendar year ~~2007~~ 2008 on all automobiles, trucks, trailers, semi-trailers, antique motor
38 vehicles (as defined in section 46.2-100 of the Code of Virginia, 1950, as amended, which may
39 be used for general transportation purposes as provided in subsection C of section 46.2-730 of
40 the Code of Virginia, 1950, as amended), taxicabs, motorcycles, campers and other recreational
41 vehicles, boats and boat trailers owned or held by residents or citizens of the city or located
42 within the territorial boundaries of the city or otherwise having a situs for taxation in the city, a
43 tax of \$4.75 on every \$100 of assessed value thereof, for the support of the city government, for
44

1 the payment of principal and interest of the city debt and for other municipal expenses and
2 purposes.

3
4 (b) There shall be levied on and collected for the calendar year ~~2007~~ 2008 on all
5 automobiles, trucks, trailers and semi-trailers with a gross vehicle weight of 10,000 pounds or
6 more which are used to transport property for hire by a motor carrier engaged in interstate
7 commerce, and are owned or held by residents or citizens of the city, are located within the
8 territorial boundaries of the city or otherwise have a situs for taxation in the city, a tax of \$4.50
9 on every \$100 of assessed value thereof, for the support of the city government, for the payment
10 of principal and interest of the city debt and for other municipal expenses and purposes.

11
12 (c) There shall be levied on and collected for the calendar year ~~2007~~ 2008 on all
13 automobiles and trucks which are equipped with specially designed equipment for use by the
14 handicapped and are owned or held by residents or citizens of the city, are located within the
15 territorial boundaries of the city or otherwise have a situs for taxation in the city, a tax of \$3.55
16 on every \$100 of assessed value thereof, for the support of the city government, for the payment
17 of principal and interest of the city debt and for other municipal expenses and purposes.

18
19 (d) There shall be levied on and collected for the calendar year ~~2007~~ 2008 on all privately
20 owned pleasure boats and watercraft, which are used for recreational purposes only, and are
21 owned or held by residents or citizens of the city, or are located within the territorial boundaries
22 of the city or otherwise have a situs for taxation in the city, a tax of \$.01 on every \$100 of
23 assessed value thereof, for the support of the city government, for the payment of principal and
24 interest of the city debt and for other municipal expenses and purposes.

25
26 (e) For tax years commencing in 2006, the City adopts the provisions of Item 503.E
27 of Chapter 951 of the 2005 Acts of Assembly (the 2005 revisions to the 2004-06 Appropriations
28 Act, the "2005 Appropriations Act"), providing for the computation of tax relief under the
29 Personal Property Tax Relief Act of 1998, sections 58.1-3523 et seq. of the Code of Virginia, as
30 amended, as a specific dollar amount to be offset against the total taxes that would otherwise be
31 due but for the Personal Property Tax Relief Act of 1998, sections 58.1-3523 et seq. of the Code
32 of Virginia, as amended, and the reporting of such specific dollar relief on the tax bill.

33
34 (i) The City shall, following adoption of the annual budget adopted pursuant
35 to Chapter 25 of Title 15.2 of the Code of Virginia and sections 6.01 through 6.15
36 of the City Charter, set the rate of tax relief under this subsection at such a level
37 that it is anticipated fully to exhaust relief funds under the Personal Property Tax
38 Relief Act of 1998, sections 58.1-3523 et seq. of the Code of Virginia, as
39 amended, provided to the City by the Commonwealth. Any amount of relief
40 funds under the Personal Property Tax Relief Act of 1998, sections 58.1-3523 et
41 seq. of the Code of Virginia, as amended, provided to the City by the
42 Commonwealth, not used within the City's fiscal year shall be carried forward and
43 used to increase the funds available for personal property tax relief under this
44 subsection in the following fiscal year.

(ii) Personal property tax bills shall set forth on their face the specific dollar amount of relief under this subsection credited with respect to each qualifying vehicle, together with an explanation of the general manner in which such relief is allocated.

(iii) Allocation of relief under this subsection shall be provided in accordance with the general provisions of this section, as implemented by the specific provisions of the City's annual budget relating to relief under this subsection.

(iv) Relief under this subsection shall be allocated in such as manner as to eliminate personal property taxation of each qualifying vehicle with an assessed value of \$1,000 or less.

(v) Relief under this subsection with respect to qualifying vehicles with assessed values of more than \$1,000 shall be provided at a rate, annually fixed in the City budget and applied to the first \$20,000 in value of each such qualifying vehicle, that is estimated fully to use all relief funds under the Personal Property Tax Relief Act of 1998, sections 58.1-3523 et seq. of the Code of Virginia, as amended, provided to the City by the Commonwealth.

Section 6. That this ordinance shall become effective January 1, 2008, *nunc pro tunc*.

WILLIAM D. EUILLE
Mayor

Introduction: 3/11/08
First Reading: 3/11/08
Publication:
Public Hearing:
Second Reading:
Final Passage:

ORDINANCE NO. 4530

AN ORDINANCE to amend and reordain Section 3-2-181 (LEVIED; AMOUNT) of Division 1 (REAL ESTATE), and Section 3-2-221 (LEVIED ON TANGIBLE PERSONAL PROPERTY OTHER THAN MOBILE HOMES, AUTOMOBILES, TRUCKS, ANTIQUE MOTOR VEHICLES, TAXICABS, MOTOR VEHICLES WITH SPECIALLY DESIGNED EQUIPMENT FOR USE BY THE HANDICAPPED, MOTORCYCLES, CAMPERS AND OTHER RECREATIONAL VEHICLES, BOATS AND TRAILERS; AMOUNT), Section 3-2-222 (LEVIED ON MACHINERY AND TOOLS USED IN MINING OR MANUFACTURING BUSINESS; AMOUNT), Section 3-2-223 (LEVIED ON MOBILE HOMES; AMOUNT) and Section 3-2-224 (LEVIED ON AUTOMOBILES, TRUCKS, TRAILERS, SEMI-TRAILERS, ANTIQUE MOTOR VEHICLES, TAXICABS, MOTORCYCLES, CAMPERS AND OTHER RECREATIONAL VEHICLES, BOATS AND TRAILERS; AMOUNT) of Division 3 (TANGIBLE PERSONAL PROPERTY AND MACHINERY AND TOOLS), all of Article M (LEVY AND COLLECTION OF PROPERTY TAXES), Chapter 2 (TAXATION), Title 3 (FINANCE, TAXATION AND PROCUREMENT) of The Code of the City of Alexandria, Virginia, 1981.

THE CITY COUNCIL OF ALEXANDRIA HEREBY ORDAINS:

Section 1. That Section 3-2-181 of The Code of the City of Alexandria, Virginia, 1981, as amended, be, and the same hereby is, amended and reordained to read as follows:

Sec. 3-2-181 Levied; amount.

There shall be levied and collected for the calendar year 2008 on all real estate located within the territorial boundaries of the city and subject to taxation for city purposes under the constitution and laws of this state and city, a tax of \$.845 on each \$100 of the assessed residential property value thereof and \$.845 on each \$100 of the assessed commercial residential property value thereof, for the support of the city government, for the payment of principal and interest of the city debt and for other municipal expenses and purposes.

Section 2. That Section 3-2-221 of The Code of the City of Alexandria, Virginia, 1981, as amended, be, and the same hereby is, amended and reordained to read as follows:

Sec. 3-2-221 Levied on tangible personal property other than mobile homes, automobiles, trucks, antique motor vehicles, taxicabs, motor vehicles with specially designed equipment for use by the handicapped, motorcycles, campers and other recreational vehicles, boats and boat trailers; amount.

There shall be levied and collected for the calendar year 2008 on all tangible personal property, other than mobile homes, automobiles, trucks, antique motor vehicles, taxicabs, motor vehicles with specially designed equipment for use by the handicapped, motorcycles, campers

and other recreational vehicles, boats and trailers, owned or held by residents or citizens of the city or located within the territorial boundaries of the city or otherwise having a situs within the city and subject to taxation for city purposes under the constitution and laws of this state and city, a tax of \$4.75 on every \$100 of assessed value thereof, for the support of the city government, for the payment of principal and interest of the city debt and for other municipal expenses and purposes.

Section 3. That Section 3-2-222 of The Code of the City of Alexandria, Virginia, 1981, as amended, be, and the same hereby is, amended and reordained to read as follows:

Sec. 3-2-222 Levied on machinery and tools used in mining or manufacturing business; amount.

There shall be levied and collected for the calendar year 2008 on all machinery and tools used in a mining or manufacturing business taxable on capital and subject to taxation for city purposes under the constitution and laws of this state and city, a tax of \$4.50 on each \$100 of assessed value thereof, for the support of the city government, for the payment of principal and interest of the city debt and for other municipal expenses and purposes.

Section 4. That Section 3-2-223 of The Code of the City of Alexandria, Virginia, 1981, as amended, be, and the same hereby is, amended and reordained to read as follows:

Sec. 3-2-223 Levied on mobile homes; amount.

There shall be levied and collected for the calendar year 2008 on all vehicles without motor power, used or designed to be used as mobile homes as defined in section 46.2-100 of the Code of Virginia, owned or held by residents or citizens of the city or located within the territorial boundaries of the city or otherwise having a situs within the city and subject to taxation for city purposes under the constitution and laws of this state and city, a tax of \$.845 on each \$100 of assessed value thereof, for the support of the city government, for the payment of principal and interest of the city debt and for other municipal expenses and purposes.

Section 5. That Section 3-2-224 of The Code of the City of Alexandria, Virginia, 1981, as amended, be, and the same hereby is, amended and reordained to read as follows:

Sec. 3-2-224 Levied on automobiles, trucks, trailers, semi-trailers, antique motor vehicles, taxicabs, motorcycles, campers and other recreational vehicles, boats and trailers; amount.

(a) Except as provided in subsections (b), (c) and (d), there shall be levied and collected for the calendar year 2008 on all automobiles, trucks, trailers, semi-trailers, antique motor vehicles (as defined in section 46.2-100 of the Code of Virginia, 1950, as amended, which may be used for general transportation purposes as provided in subsection C of section 46.2-730 of

the Code of Virginia, 1950, as amended), taxicabs, motorcycles, campers and other recreational vehicles, boats and boat trailers owned or held by residents or citizens of the city or located within the territorial boundaries of the city or otherwise having a situs for taxation in the city, a tax of \$4.75 on every \$100 of assessed value thereof, for the support of the city government, for the payment of principal and interest of the city debt and for other municipal expenses and purposes.

(b) There shall be levied on and collected for the calendar year 2008 on all automobiles, trucks, trailers and semi-trailers with a gross vehicle weight of 10,000 pounds or more which are used to transport property for hire by a motor carrier engaged in interstate commerce, and are owned or held by residents or citizens of the city, are located within the territorial boundaries of the city or otherwise have a situs for taxation in the city, a tax of \$4.50 on every \$100 of assessed value thereof, for the support of the city government, for the payment of principal and interest of the city debt and for other municipal expenses and purposes.

(c) There shall be levied on and collected for the calendar year 2008 on all automobiles and trucks which are equipped with specially designed equipment for use by the handicapped and are owned or held by residents or citizens of the city, are located within the territorial boundaries of the city or otherwise have a situs for taxation in the city, a tax of \$3.55 on every \$100 of assessed value thereof, for the support of the city government, for the payment of principal and interest of the city debt and for other municipal expenses and purposes.

(d) There shall be levied on and collected for the calendar year 2008 on all privately owned pleasure boats and watercraft, which are used for recreational purposes only, and are owned or held by residents or citizens of the city, or are located within the territorial boundaries of the city or otherwise have a situs for taxation in the city, a tax of \$.01 on every \$100 of assessed value thereof, for the support of the city government, for the payment of principal and interest of the city debt and for other municipal expenses and purposes.

(e) For tax years commencing in 2006, the City adopts the provisions of Item 503.E of Chapter 951 of the 2005 Acts of Assembly (the 2005 revisions to the 2004-06 Appropriations Act, the "2005 Appropriations Act"), providing for the computation of tax relief under the Personal Property Tax Relief Act of 1998, sections 58.1-3523 et seq. of the Code of Virginia, as amended, as a specific dollar amount to be offset against the total taxes that would otherwise be due but for the Personal Property Tax Relief Act of 1998, sections 58.1-3523 et seq. of the Code of Virginia, as amended, and the reporting of such specific dollar relief on the tax bill.

(i) The City shall, following adoption of the annual budget adopted pursuant to Chapter 25 of Title 15.2 of the Code of Virginia and sections 6.01 through 6.15 of the City Charter, set the rate of tax relief under this subsection at such a level that it is anticipated fully to exhaust relief funds under the Personal Property Tax Relief Act of 1998, sections 58.1-3523 et seq. of the Code of Virginia, as amended, provided to the City by the Commonwealth. Any amount of relief funds under the Personal Property Tax

Relief Act of 1998, sections 58.1-3523 et seq. of the Code of Virginia, as amended, provided to the City by the Commonwealth, not used within the City's fiscal year shall be carried forward and used to increase the funds available for personal property tax relief under this subsection in the following fiscal year.

(ii) Personal property tax bills shall set forth on their face the specific dollar amount of relief under this subsection credited with respect to each qualifying vehicle, together with an explanation of the general manner in which such relief is allocated.

(iii) Allocation of relief under this subsection shall be provided in accordance with the general provisions of this section, as implemented by the specific provisions of the City's annual budget relating to relief under this subsection.

(iv) Relief under this subsection shall be allocated in such as manner as to eliminate personal property taxation of each qualifying vehicle with an assessed value of \$1,000 or less.

(v) Relief under this subsection with respect to qualifying vehicles with assessed values of more than \$1,000 shall be provided at a rate, annually fixed in the City budget and applied to the first \$20,000 in value of each such qualifying vehicle, that is estimated fully to use all relief funds under the Personal Property Tax Relief Act of 1998, sections 58.1-3523 et seq. of the Code of Virginia, as amended, provided to the City by the Commonwealth.

Section 6. That this ordinance shall become effective January 1, 2008, *nunc pro tunc*.

WILLIAM D. EUILLE
Mayor

Final Passage: May 5, 2008