

MEMORANDUM

DATE: November 22, 2005

TO: The Board of Supervisors

FROM: Richard Bradshaw, Commissioner of the Revenue  
M. Ann Davis, Treasurer

SUBJECT: Ordinance Amendment - Amending Chapter 20. Taxation, Article III. Personal Property Tax, by adding Section 20-13.7, Implementation of the 2004-2005 Changes to the Personal Property Tax Relief Act of 1998 - Specific Relief.

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The Personal Property Tax Relief Act of 1998 (PPTRA) has been substantially modified by the General Assembly. These changes provide that the County will receive appropriations of a fixed sum of money from the State beginning in calendar year 2006 to be used for PPTRA tax relief, and require the County to revise its ordinance to implement the changes.

The ordinance amendment:

1. Provides for the computation of tax relief as a specific dollar amount;
2. Sets the percentage of tax relief at an amount that it is anticipated to fully exhaust PPTRA relief funds provided to the County by the State;
3. Allocates the relief in a way that eliminates personal property taxation of each qualifying vehicle with an assessed value of \$1,000 or less; and
4. Authorizes the County Treasurer to issue a supplemental personal property tax bill, in the amount of 100 percent of tax due plus applicable penalties and interest, to any taxpayer whose taxes on a qualifying vehicle for tax year 2005 or any prior tax year remain unpaid on January 1, 2006.

Staff recommends approval of the attached ordinance amendment.

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Richard Bradshaw

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M. Ann Davis

RB/MAD/gs  
PPtaxord.mem

Attachment