

**General Property  
Taxes**

**General Operating Fund**

**BUDGET SUMMARY**

	FY 99 Budget	FY 00 Original Adopted	FY 00 Current Expected	FY 01 Proposed	FY 02 Proposed
Real Estate	\$ 32,118,120	\$ 37,509,102	\$ 36,109,102	\$ 38,825,448	\$ 41,747,973
Personal Property	11,189,669	8,102,469	8,302,469	6,507,782	4,098,836
Personal Property –					
Mobile Homes	68,921	56,300	56,300	56,300	56,300
Pers. Prop.-	4,724,471	4,705,600	5,000,000	5,075,000	5,151,125
Machinery					
Public Service	1,190,168	1,201,047	1,264,343	1,302,273	1,338,131
Delinquent Real					
Estate Taxes	864,780	712,400	712,400	712,400	712,400
Delinq. Pers. Property	238,345	206,320	206,320	206,320	206,320
Delinq Mobile	12,367	10,000	10,000	9,500	9,500
Homes					
Penalties	344,706	375,440	375,440	310,000	310,000
Interest–Delinq Taxes	198,220	167,960	167,960	170,000	170,000
Total	<u>\$ 50,949,767</u>	<u>\$ 53,046,638</u>	<u>\$ 52,204,334</u>	<u>\$ 53,175,023</u>	<u>\$ 53,800,585</u>

**BUDGET COMMENTS**

**General Property Taxes** include revenues received from levies made on real and personal property of County residents and business establishments.

**Real Estate Property Taxes** on residential and business land and buildings are based upon a tax rate per \$100 of assessed value, which is adopted by the Board of Supervisors during the budget process. The tax rate is then applied to the assessed value of individual property, as determined by the Real Estate Assessor during the annual assessment. The Commonwealth of Virginia requires localities to assess real property at 100 percent of market value.

The actual collections for FY 2000 are expected to be well below the budgeted figure. The projected FY 2001 revenue, when compared to expected actual collections in FY 2000 represents an increase in 7.52 percent, while the FY 2002 revenues represent an increase of 7.53 percent over those in FY 2001.

Although the FY 2002 budget assumes a continuation of annual reassessments of real property, the Board of Supervisors may enact a biennial assessment system and that will dampen expected revenues in FY 2002. The Board’s deliberation is expected in October 2000.

**Personal Property Taxes** are assessed by the Commissioner of the Revenue on four major property categories - individual personal property, business personal property, mobile homes, and machinery and tools. The tax rate is \$4.00 per \$100 of assessed value. Individual and business vehicles are assessed at 100 percent of loan value as determined by the National Automobile Dealers Association. Business equipment, machinery, and tools are assessed at 25 percent of capitalized cost. Mobile homes are assessed at current market value and are billed at the real estate tax rate. Beginning in FY 1999, the State began reimbursing localities for car taxes refunded to citizens under the new law. The collection of personal

property taxes is shifting from local taxpayers to the State under the Governor’s “No Car Tax” initiative. The chart below illustrates the impact:

***BUDGET COMMENTS, Continued***

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
Local Collections	\$ 8,102,469	\$ 6,507,782	\$ 4,098,836
From the Commonwealth	<u>3,310,295</u>	<u>5,875,067</u>	<u>9,336,555</u>
	\$ 11,412,764	\$ 12,382,849	\$ 13,435,391
Annual Growth		8.5%	8.5%

**Public Service Assessments** are performed by the State Corporation Commission on property owned by regulated public utilities, which include railroads, electric, telephone, gas, and telecommunications companies.

**Machinery and Tools** are those items of business personal property that are used in a manufacturing application. The assessment of machinery and tools is based on costs so any increase in revenues is the result of actual growth in machinery and tools. The County’s recent industrial expansion, with new companies like John Deere, and expansions at established companies like Anheuser Busch and Ball Metal, is contributing to real growth in these revenues.