

**Revenue from the Commonwealth**

**General Operating Fund**

***BUDGET SUMMARY***

	<u>FY 06 Adopted</u>	<u>FY 06 Projected</u>	<u>FY 07 Adopted</u>	<u>FY 08 Adopted</u>
<u>Non-Categorical Aid:</u>				
Recordation Tax Distribution	\$ 450,000	\$ 400,000	\$ 400,000	\$ 400,000
HB 599 Payments	1,379,722	1,379,722	1,562,820	1,633,098
State Car Tax Reimbursement	9,557,223	9,557,223	9,770,137	9,770,137
Communication Sales and Use Tax	0	0	1,040,000	2,200,000
ABC Profits	28,199	28,199	28,199	28,199
Wine Tax	29,558	29,558	29,558	29,558
Car Rental Sales Tax	15,000	32,000	40,000	40,000
Mobile Home Tax Com.	12,500	15,000	15,000	15,000
Rolling Stock Tax	31,204	43,380	43,204	43,204
DMV Satellite Office	26,400	10,000	11,000	20,000
	<u>11,529,806</u>	<u>11,495,082</u>	<u>12,939,918</u>	<u>14,179,196</u>
<u>Shared Expenses (Categorical):</u>				
Sales Tax for Education	8,231,616	8,234,047	9,508,245	10,253,872
Share of Expenses for:				
Treasurer	161,552	157,129	164,736	170,000
Commissioner of the Revenue	145,999	144,147	148,875	150,000
General Registrar	53,557	54,000	54,613	55,000
Sheriff	629,215	628,438	647,619	656,000
Commonwealth's Attorney	424,939	403,172	433,275	440,000
Clerk of the Circuit Court	400,419	388,445	409,295	415,000
Medical Examiner	300	300	300	300
	<u>10,047,597</u>	<u>10,009,678</u>	<u>11,366,958</u>	<u>12,140,172</u>
<u>Categorical Aid:</u>				
Commission for the Arts	5,000	5,000	5,000	5,000
Emergency Medical Services	30,746	30,746	30,746	30,746
Wireless Board	85,379	85,379	87,000	89,648
	<u>121,125</u>	<u>121,125</u>	<u>122,746</u>	<u>125,394</u>
<b>Total</b>	<b>\$ <u>21,698,528</u></b>	<b>\$ <u>21,625,885</u></b>	<b>\$ <u>24,429,622</u></b>	<b>\$ <u>26,444,762</u></b>

**BUDGET COMMENTS**

Description

This budget provides for revenue received from the Commonwealth of Virginia in three categories - Non-Categorical Aid, Shared Expenses (Categorical), and Categorical Aid. **Non-Categorical Aid** includes revenues which are raised by the State and shared with the local government. The use of such revenues is at the discretion of the local government. **Shared Expenses (Categorical)** includes revenues received from the Commonwealth for the State's share of expenditures in activities that are considered to be joint responsibilities. **Categorical Aid** includes revenues received from the Commonwealth, which are designated by the Commonwealth for a specific use by the local government.

Change

State revenues in support of local spending are projected to grow primarily due to an increase of almost 16 percent in State Sales Tax for Education.

The State Car Tax Reimbursement is the State's share of the "No Car Tax" initiative and it has the following impact on local taxpayers:

	<u>FY 06</u> <u>Adopted</u>	<u>FY 07</u> <u>Adopted</u>	<u>FY 08</u> <u>Adopted</u>
Local Collections	\$ 10,600,000	\$ 11,857,777	\$ 13,437,663
From the Commonwealth	<u>9,557,223</u>	<u>9,770,137</u>	<u>9,770,137</u>
	<u>\$ 20,157,223</u>	<u>\$ 21,627,914</u>	<u>\$ 23,207,800</u>

The FY 2007 projection reflects the permanent cap on the State's share of the "Car Tax" beginning in 2007. The State is projected to pay approximately 61 percent of the "Car Tax" for an eligible personal use vehicle. This percentage will decline in subsequent years as the State's reimbursement to the County remains the same.

The State sales tax for education consists of 1.0 percent of the State sales tax collected around the State and distributed to localities in proportion to their school-age population. The school-age population is determined by a special census every three years, and the latest was completed in August 2005. These funds are forwarded by the County to the Williamsburg-James City County Schools each year, although they could be retained and used to pay for school debt service.