

Other Local Taxes

General Operating Fund

BUDGET SUMMARY

	FY08 Adopted	FY08 Projected	FY09 Proposed	FY10 Proposed
Local Sales Tax	\$ 9,800,000	\$ 9,100,000	\$ 9,800,000	\$ 10,400,000
Transient Occupancy Tax	2,600,000	2,600,000	2,600,000	2,600,000
\$2 Per Night Room Tax	1,050,000	1,050,000	850,000	850,000
Meals Tax	5,750,000	6,000,000	6,250,000	6,550,000
Delinquent Taxes	30,000	30,000	30,000	30,000
Deeds of Conveyance	550,000	450,000	450,000	450,000
Bank Franchise Tax	300,000	310,000	325,000	325,000
Recordation Taxes	2,475,000	1,725,000	1,725,000	1,725,000
Total	<u>\$22,555,000</u>	<u>\$21,265,000</u>	<u>\$22,030,000</u>	<u>\$22,930,000</u>

BUDGET COMMENTS

Other Local Taxes include the budget for the 1 percent **Local Sales Tax**. This tax is collected with the 4.0 percent State sales tax at the time of sale, and remitted to the County. An increase of 7.7 percent over FY 2008 collections is anticipated in FY 2009 and 6.1 percent in FY 2010.

Transient Occupancy Room Tax revenues are those received from the 5 percent tax imposed on hotel, motel room sales, and rental condominium units. 60 percent of this tax revenue is targeted toward tourism in compliance with State law. Receipts are expected to remain flat over the next two years. The **\$2 Per Night Room Tax** revenue is passed through to the Williamsburg Area Chamber and Tourism Alliance for marketing by the Williamsburg Area Destination Marketing Committee (WADMC).

The **Meals Tax** represents a tax on prepared food and beverages. The County levies a 4 percent tax. Because of the impact on tourism in the County, it is estimated that 70 percent of the revenue is generated by nonresidents of the County. It is expected to increase 4.2 percent in FY 2009 and 4.8 percent in FY 2010.

Deeds of Conveyance records revenue received from the tax imposed on conveyance of property deeds. The tax is based on the value of the property involved. With the slowdown in the housing market, revenues are expected to decrease by 18.2 percent when compared to the FY 2008 budget and are projected to remain level in FY 2010.

Bank Franchise Tax represents revenue received from the tax imposed on bank deposits in County bank branches, less certain allowable deductions. This revenue is expected to show modest growth over the next two years.

The **Recordation Taxes** are fees levied for documents recorded at the Clerk of Circuit Court's Office. Fees vary based on the type of document and the value of real estate. These taxes are also impacted by the slowdown in the housing market and are projected to be 30 percent lower in FY 2009 when compared to the FY 2008 budget.