

City of Alexandria, Virginia

MEMORANDUM

DATE: FEBRUARY 25, 2009

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER

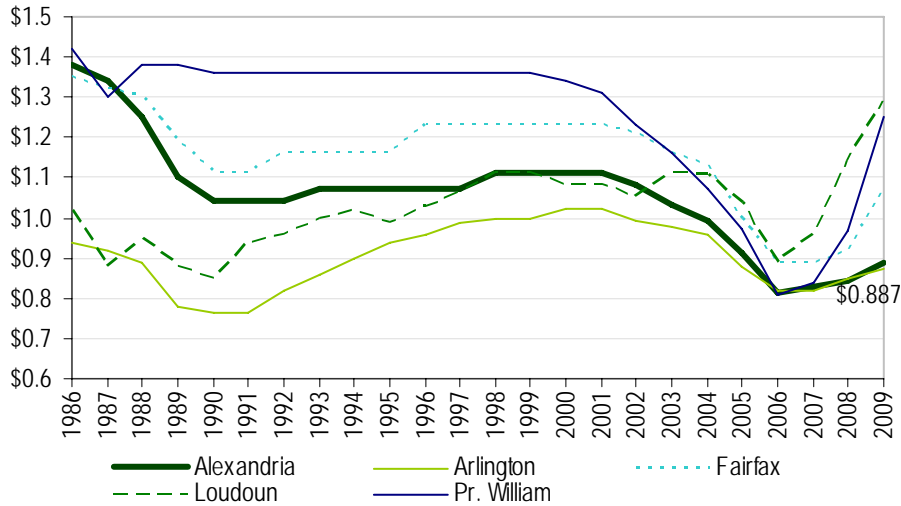
SUBJECT: BUDGET MEMO #10: COMPARATOR JURISDICTIONS REAL PROPERTY TAX RATES

City Council requested information on the proposed real property tax rates of comparative jurisdictions. After various countrywide tax levies on real property are taken into account, Alexandria residents can expect to pay the second lowest real property tax rate among their Northern Virginia comparators.

The chart below shows a brief history of the tax rates of these jurisdictions as well as a breakdown of their current proposed rate. The graph on the following page further depicts these rates. A history of these rates back to 1986 is included on page 7-20 of the budget text.

Calendar Year	Alexandria	Arlington	Fairfax	Loudoun	Pr. William
2000	1.110	1.023	1.230	1.080	1.340
2001	1.110	1.023	1.231	1.080	1.310
2002	1.080	0.993	1.211	1.050	1.310
2003	1.035	0.978	1.161	1.110	1.160
2004	0.995	0.958	1.131	1.108	1.070
2005	0.915	0.878	1.001	1.04	0.974
2006	0.815	0.818	0.890	0.890	0.807
2007	0.830	0.838	0.890	1.150	1.012
2008	0.845	0.848	0.935	1.140	1.033
2009					
Base Real Property	0.887	0.865	1.04	1.29	1.19
Fire & EMS					0.060
Moth/Pest					0.003
Leaf Collection			0.015		
Storm Water		0.01	0.015		0
2009 Combined	0.887	0.875	1.07	1.29	1.253
Rate per \$100 AV					
Change from 2008	0.042	0.027	0.135	0.150	0.220

Real Estate Tax Rate* Cents Per \$100 of Assessed Value



Local Northern Virginia jurisdictions were recently given authority to increase the commercial real property tax rate, which had previously been held constant with the residential real property tax rate. However, revenue from this additional commercial tax can only be used in support of transportation.

Based on this new authority, Arlington and Fairfax Counties both enacted an additional levy for commercial properties beginning in FY 2008. The graph below illustrates the proposed commercial real property tax rates for CY 2009 among Alexandria's northern Virginia comparators.

Commercial Real Property Rates

