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Outlook

[EXTERNAL]NVAR Opposition to Proposed BPOL Tax Increase

From Joshua Veverka <jveverka@NVAR.com>
Date Thu 4/16/2026 8:34 AM
To CouncilComment@alexandriava.gov <CouncilComment@alexandriava.gov>
Cc Alyia Gaskins <alyia.gaskins@alexandriava.gov>; Abdel Elnoubi <abdel.elnoubi@alexandriava.gov>; John Chapman <john.taylor.chapman@alexandriava.gov>; Sarah Bagley <sarah.bagley@alexandriava.gov>; Jacinta Greene <Jacinta.Greene@alexandriava.gov>; Canek Aguirre <Canek.Aguirre@alexandriava.gov>

1 attachment (124 KB)
Oppose BPOL Tax Increase on Real Estate Industry 4.18.26.pdf;

On behalf of the Northern Virginia Association of Realtors® (NVAR) and our 12,000 members across the Northern Virginia region, please find the attached letter expressing our opposition to the proposed increase in the Business, Professional, and Occupational License (BPOL) tax rate on Financial Services businesses as part of the FY 2027 budget Add/Delete process.

We appreciate the City's commitment to addressing housing stability and eviction prevention. However, as outlined in our letter, we have significant concerns regarding the proposed approach, including its impact on a single industry sector, the timing and process of its introduction, and the broader implications for housing affordability and the local business climate.

We respectfully request that this letter be included in the public record for the upcoming budget public hearing on April 18.

Thank you for your time and consideration. We look forward to continuing to work collaboratively with the City on policies that support both housing stability and a strong, competitive local economy.

Sincerely,

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Northern Virginia Association of Realtors®
Rob Carney – President
Ryan T. McLaughlin, CAE, RCE – Chief Executive Officer

April 16, 2026

Alexandria City Council
421 King Street
Alexandria, VA 22314

Dear Mayor Gaskins and Members of the Alexandria City Council,

On behalf of the Northern Virginia Association of Realtors® (NVAR) and our members who live and work in the City of Alexandria, I write to express our **opposition to the proposed increase in the Business, Professional, and Occupational License (BPOL) tax rate on Financial Services** businesses from $0.35 to $0.40 per $100 of gross receipts.

We appreciate the City's commitment to supporting residents facing housing instability and recognize the importance of programs like emergency rental assistance in preventing eviction. However, we have significant concerns with the approach proposed in this Add/Delete item.

First, this proposal places a disproportionate burden on a single industry sector to fund a specific public program. NVAR has consistently supported a tax structure that is broad-based, equitable, and avoids targeting individual industries to carry the weight of public investments. While the goal of funding eviction prevention is laudable, relying on a narrow segment of the business community to generate these revenues raises concerns about fairness and long-term sustainability.

Second, we are concerned by the process. This proposal was introduced late in the budget cycle through the Add/Delete process, with limited opportunity for stakeholder engagement. The real estate industry, including agents, brokers, mortgage lenders, and title companies, will be among those most directly impacted, yet we were not at the table to discuss the policy prior to its introduction. Given the magnitude of this policy change, a 14% increase in the applicable tax rate, we believe additional dialogue with affected stakeholders is warranted.

Third, we urge the Council to consider the broader implications for housing affordability. At a time when Alexandria—and the entire Northern Virginia region—continues to grapple with a shortage of housing and rising costs, increasing taxes on the very professionals who facilitate housing transactions risks adding pressure to an already strained system. Real estate brokers, lenders, and settlement professionals play a critical role in delivering housing opportunities to residents. Increasing the cost of doing business for these entities may ultimately translate into higher costs for consumers.

We also note that the Commonwealth of Virginia has recently taken action to strengthen eviction prevention efforts statewide. With the Governor's signing of HB 527 and SB 628, which expands the Virginia Eviction Reduction Program statewide, combined with anticipated increased annual funding in the as-yet approved budget, there is now a growing state-level commitment to addressing housing instability. This presents an opportunity for localities to leverage state resources rather than relying solely on targeted local tax increases.

Finally, we would highlight that the proposed rate would further widen the gap between Alexandria and neighboring jurisdictions. Fairfax County's BPOL rate for similar businesses is \$0.19 per \$100, and Arlington County's rate is \$0.36. Increasing Alexandria's rate to \$0.40 would make it one of the highest in the region, potentially impacting the City's competitiveness as a place to do business.

For these reasons, we respectfully urge the City Council to **reject the proposed BPOL tax increase on Financial Services** businesses and instead explore more balanced and collaborative approaches to funding critical housing programs.

We appreciate your consideration and stand ready to work with the City to identify solutions that both support housing stability and maintain a fair and competitive business environment.

Sincerely,

Ryan McLaughlin
Chief Executive Officer

Rob Carney
2026 President of the Board