

ORDINANCE NO. \_\_\_\_\_

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3 AN ORDINANCE to amend and reordain Section 3-2-181 (LEVIED; AMOUNT), Section 3-2-  
4 188 (CLASSIFICATION AND TAXATION OF CERTAIN COMMERCIAL AND  
5 INDUSTRIAL REAL PROPERTY), and Section 3-2-189 (TIER I POTOMAC YARD  
6 METRORAIL STATION SPECIAL SERVICES DISTRICT TAX) of Division 1, (REAL  
7 ESTATE), and Section 3-2-221 (LEVIED ON TANGIBLE PERSONAL PROPERTY  
8 OTHER THAN MOBILE HOMES, AUTOMOBILES, TRUCKS, ANTIQUE MOTOR  
9 VEHICLES, TAXICABS, MOTOR VEHICLES WITH SPECIALLY DESIGNED  
10 EQUIPMENT FOR USE BY THE HANDICAPPED, MOTORCYCLES, CAMPERS  
11 AND OTHER RECREATIONAL VEHICLES, BOATS AND TRAILERS; AMOUNT),  
12 Section 3-2-222 (LEVIED ON MACHINERY AND TOOLS USED IN MINING OR  
13 MANUFACTURING BUSINESS; AMOUNT), Section 3-2-223 (LEVIED ON MOBILE  
14 HOMES; AMOUNT), Section 3-2-224 (LEVIED ON AUTOMOBILES, TRUCKS,  
15 TRAILERS, SEMI-TRAILERS, ANTIQUE MOTOR VEHICLES, TAXICABS,  
16 MOTORCYCLES, CAMPERS AND OTHER RECREATIONAL VEHICLES, BOATS  
17 AND TRAILERS; AMOUNT) of Division 3 (TANGIBLE PERSONAL PROPERTY  
18 AND MACHINERY AND TOOLS), all of Article M (LEVY AND COLLECTION OF  
19 PROPERTY TAXES), Chapter 2 (TAXATION), Title 3 (FINANCE, TAXATION AND  
20 PROCUREMENT) of The Code of the City of Alexandria, Virginia, 1981, as amended.

21  
22 THE CITY COUNCIL OF ALEXANDRIA HEREBY ORDAINS:

23  
24 Section 1. That Section 3-2-181 of The Code of the City of Alexandria, Virginia, 1981,  
25 as amended, be, and the same hereby is, amended as follows:

26  
27 Sec. 3-2-181 Levied; amount.

28  
29 There shall be levied and collected for the calendar year 2026 on all real estate located  
30 within the territorial boundaries of the city and subject to taxation for city purposes under the  
31 constitution and laws of this state and city, a tax of \$\_\_\_\_ on each \$100 of the assessed value of  
32 all taxable real property, to include residential property and commercial property value, for the  
33 support of the city government, for the payment of principal and interest of the city debt and for  
34 other municipal expenses and purposes.

35  
36 Section 2. That Sec. 3-2-188 of The Code of the City of Alexandria, 1981 as amended,  
37 be, and the same hereby is, amended as follows:

38  
39 Sec. 3-2-188 Classification and taxation of certain commercial and industrial real  
40 property.

41  
42 (a) Pursuant to the authority granted by Section 58.1-3221.3 of the Code of Virginia  
43 (1950), as amended, all commercial and industrial real property in the City of Alexandria  
44 classified by the General Assembly as a separate class of real property for local taxation shall be  
45 designated, assessed and taxed as a separate class of real property. Such separate class of real

1 property shall not include any residential uses excluded by Section 58.1-3221.3 of the Code of  
2 Virginia.

3  
4 (b) In addition to all other taxes and fees permitted by law, the class of real property  
5 designated in this section may, and if imposed by ordinance shall, be subject to a real property  
6 tax, in addition to that imposed by City Code Section 3-2-181 and any other applicable law, at  
7 the rate established by the City Council of the City of Alexandria not to exceed the rate  
8 authorized by the Code of Virginia.

9  
10 (c) All revenues generated from the real property tax imposed by this Section  
11 3-2-188 shall be used exclusively for transportation-related projects and services that benefit  
12 the City of Alexandria.

13  
14 (d) The real property tax imposed by this Section 3-2-188 shall be levied, administered,  
15 enforced and collected in the same manner as set forth in Subtitle III of Title 58.1 of the Code of  
16 Virginia and Chapter 2 of this Title for the levy, administration, enforcement and collection of  
17 local taxes.

18  
19 (e) The director of the division of real estate assessments shall separately assess and set  
20 forth upon the City of Alexandria's land book the fair market value of that property that is  
21 designated as a separate class of real property in accordance with the provisions of this section.

22  
23 (f) There shall be levied and collected for the calendar year 2026 on all real estate  
24 located within the territorial boundaries of the city and subject to taxation pursuant to this  
25 section, a tax of \$0.00 on each \$100 of the assessed value thereof, for the purposes set forth in  
26 subsection (c) above.

27  
28 Section 3. That Section 3-2-189 of The Code of the City of Alexandria, Virginia, 1981,  
29 as amended, be, and the same hereby is, amended as follows:

30  
31 Sec. 3-2-189 Tier I Potomac Yard Metrorail Station Special Services District Tax.

32  
33 (a) Pursuant to the authority granted by Section 15.2-2400, et seq. of the Code of  
34 Virginia (1950), as amended, all real property located in the Tier I Potomac Yard Metrorail  
35 Station Special Services District, established pursuant to Ordinance Number 4693, classified by  
36 the city council as a separate class of real property for local taxation shall be designated, assessed  
37 and taxed as a separate class of real property.

38  
39 (b) In addition to all other taxes and fees permitted by law, the class of real property  
40 designated in this section may, and if imposed by ordinance shall, be subject to a real property  
41 tax, in addition to that imposed by city code section 3-2-181 and any other applicable law, at the  
42 rate established by the city council of the City of Alexandria.

43  
44 (c) As detailed in Ordinance Number 4693, all revenues generated from the real property  
45 tax imposed by this Section 3-2-189 shall be used exclusively for the purpose of providing

1 facilities and services related to the construction of the Potomac Yard Metro Station in the City  
2 of Alexandria and the construction of a pedestrian bridge from Potomac Greens to Potomac  
3 Yard.  
4

5 (d) The real property tax imposed by this section 3-2-189 shall be levied, administered,  
6 enforced and collected in the same manner as set forth in Subtitle III of Title 58.1 of the Code of  
7 Virginia and chapter 2 of this title for the levy, administration, enforcement and collection of  
8 local taxes.  
9

10 (e) The director of the division of real estate assessments shall separately assess and set  
11 forth upon the City of Alexandria’s land book the fair market value of that property that is  
12 designated as a separate class of real property in accordance with the provisions of this section.  
13

14 (f) There shall be levied and collected for the calendar year 2026 on all real estate  
15 located within the territorial boundaries of the city and subject to taxation pursuant to this  
16 section, a tax of \$0.20 on each \$100 of the assessed value thereof, for the purposes set forth in  
17 subsection (c) above.  
18

19 Section 4. That Section 3-2-221 of The Code of the City of Alexandria, Virginia, 1981,  
20 as amended, be, and the same hereby is, amended as follows:  
21

22 Sec. 3-2-221 Levied on tangible personal property other than mobile homes, automobiles,  
23 trucks, antique motor vehicles, taxicabs, motor vehicles with specially designed  
24 equipment for use by the handicapped, motorcycles, campers and other  
25 recreational vehicles, boats and boat trailers; amount.  
26

27 There shall be levied and collected for the calendar year 2026 on all tangible personal  
28 property, other than mobile homes, automobiles, trucks, antique motor vehicles, taxicabs, motor  
29 vehicles with specially designed equipment for use by the handicapped, motorcycles, campers  
30 and other recreational vehicles, boats and trailers, owned or held by residents or citizens of the  
31 city or located within the territorial boundaries of the city or otherwise having a situs within the  
32 city and subject to taxation for city purposes under the constitution and laws of this state and  
33 city, a tax of \$\_\_\_\_ on every \$100 of assessed value thereof, for the support of the city  
34 government, for the payment of principal and interest of the city debt and for other municipal  
35 expenses and purposes.  
36

37 Section 5. That Section 3-2-222 of The Code of the City of Alexandria, Virginia, 1981,  
38 as amended, be, and the same hereby is, amended as follows:  
39

40 Sec. 3-2-222 Levied on machinery and tools used in mining or manufacturing business;  
41 amount.  
42

43 There shall be levied and collected for the calendar year 2026 on all machinery and tools  
44 used in a mining or manufacturing business taxable on capital and subject to taxation for city  
45 purposes under the constitution and laws of this state and city, a tax of \$\_\_\_\_ on each \$100 of

1 assessed value thereof, for the support of the city government, for the payment of principal and  
2 interest of the city debt and for other municipal expenses and purposes.

3  
4 Section 6. That Section 3-2-223 of The Code of the City of Alexandria, Virginia, 1981,  
5 as amended, be, and the same hereby is, amended as follows:

6  
7 Sec. 3-2-223 Levied on mobile homes; amount.

8  
9 There shall be levied and collected for the calendar year 2026 on all vehicles without  
10 motor power, used or designed to be used as mobile homes as defined in section 46.2-100 of the  
11 Code of Virginia, owned or held by residents or citizens of the city or located within the  
12 territorial boundaries of the city or otherwise having a situs within the city and subject to taxation  
13 for city purposes under the constitution and laws of this state and city, a tax of \$\_\_\_\_ on each  
14 \$100 of assessed value thereof, for the support of the city government, for the payment of  
15 principal and interest of the city debt and for other municipal expenses and purposes.

16  
17 Section 7. That Section 3-2-224 of The Code of the City of Alexandria, Virginia, 1981,  
18 as amended, be, and the same hereby is, amended as follows:

19  
20 Sec. 3-2-224 Levied on automobiles, trucks, trailers, semi-trailers, antique motor vehicles,  
21 taxicabs, motorcycles, campers and other recreational vehicles, boats and trailers;  
22 amount.

23  
24 (a) Except as provided in subsections (b), (c) and (d), there shall be levied and collected  
25 for the calendar year 2026 on all automobiles, trucks, trailers, semi-trailers, antique motor  
26 vehicles (as defined in Section 46.2-100 of the Code of Virginia, 1950, as amended, which may  
27 be used for general transportation purposes as provided in subsection C of Section 46.2-730 of  
28 the Code of Virginia, 1950, as amended), taxicabs, motorcycles, campers and other recreational  
29 vehicles, boats and boat trailers owned or held by residents or citizens of the city or located  
30 within the territorial boundaries of the city or otherwise having a situs for taxation in the city, a  
31 tax of \$\_\_\_\_ on every \$100 of assessed value thereof, for the support of the city government, for  
32 the payment of principal and interest of the city debt and for other municipal expenses and  
33 purposes.

34  
35 (b) There shall be levied on and collected for the calendar year 2026 on all automobiles,  
36 trucks, trailers and semi-trailers with a gross vehicle weight of 10,000 pounds or more which are  
37 used to transport property for hire by a motor carrier engaged in interstate commerce, and are  
38 owned or held by residents or citizens of the city, are located within the territorial boundaries of  
39 the city or otherwise have a situs for taxation in the city, a tax of \$\_\_\_\_ on every \$100 of  
40 assessed value thereof, for the support of the city government, for the payment of principal and  
41 interest of the city debt and for other municipal expenses and purposes.

42  
43 (c) There shall be levied on and collected for the calendar year 2026 on all automobiles  
44 and trucks which are equipped with specially designed equipment for use by the handicapped  
45 and are owned or held by residents or citizens of the city, are located within the territorial

1 boundaries of the city or otherwise have a situs for taxation in the city, a tax of \$\_\_\_\_ on every  
2 \$100 of assessed value thereof, for the support of the city government, for the payment of  
3 principal and interest of the city debt and for other municipal expenses and purposes.  
4

5 (d) There shall be levied on and collected for the calendar year 2026 on all privately  
6 owned pleasure boats and watercraft, which are used for recreational purposes only, and are  
7 owned or held by residents or citizens of the city, or are located within the territorial boundaries  
8 of the city or otherwise have a situs for taxation in the city, a tax of \$\_\_\_\_ on every \$100 of  
9 assessed value thereof, for the support of the city government, for the payment of principal and  
10 interest of the city debt and for other municipal expenses and purposes.  
11

12 (e) The city adopts Personal Property Tax Relief as authorized by the current state  
13 budget, which allows for provision of a specific dollar amount to be offset against the total taxes  
14 that would otherwise be due but for the Personal Property Tax Relief Act of 1998, Section 58.1-  
15 3523 et seq. of the Code of Virginia, as amended, and the reporting of such specific dollar relief  
16 on the tax bill.  
17

18 (i) The city shall, following adoption of the annual budget adopted pursuant to Chapter  
19 25 of Title 15.2 of the Code of Virginia and Sections 6.01 through 6.15 of the City Charter, set  
20 the rates of tax relief under this subsection at such a level that it is anticipated fully to exhaust  
21 relief funds under the Personal Property Tax Relief Act of 1998, Section 58.1-3523 et seq. of the  
22 Code of Virginia, as amended, provided to the city by the Commonwealth and pursuant to the  
23 Virginia Budget Bill, Reimbursement to Localities for Personal Property Tax Relief (item  
24 74601) under the Secretary of Finance.  
25

26 (ii) Personal property tax bills shall set forth on their face the specific dollar amount of  
27 relief under this subsection credited with respect to each qualifying vehicle, together with an  
28 explanation of the general manner in which such relief is allocated.  
29

30 (iii) Allocation of relief under this subsection shall be provided in accordance with the  
31 general provisions of this section, as implemented by resolution relating to relief under this  
32 subsection.  
33

34 (iv) Relief under this subsection shall be allocated in such a manner as to eliminate  
35 personal property taxation of each qualifying vehicle with an assessed value of \$5,000 or less.  
36

37 (v) Relief under this subsection with respect to qualifying vehicles with assessed values  
38 of more than \$5,000 shall be provided at rates, annually fixed by resolution, that achieve to the  
39 extent feasible the following general relationship, such that of the Personal Property Tax Relief  
40 funds from the Commonwealth remaining after application to qualifying vehicles valued at  
41 \$5,000 or less are applied as follows:  
42

43 (A) Approximately 76% of State funds are allocated to the first \$20,000 of value for  
44 vehicles assessed at \$5,001 - \$20,000;  
45

1 (B) Approximately 13% of State funds are allocated to the first \$20,000 of value for  
2 vehicles assessed at \$20,001 - \$25,000; and  
3

4 (C) Approximately 11% of State funds are allocated to the first \$20,000 of value for  
5 vehicles assessed over \$25,000.  
6

7 Section 8. That Article M as amended pursuant to Sections 1 through 7 of this ordinance,  
8 be, and the same hereby is, reordained as part of the City of Alexandria City Code.  
9

10 Section 9. That this ordinance shall become effective January 1, 2026, nunc pro tunc.  
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12  
13 ALYIA GASKINS  
14 Mayor  
15

16  
17 Introduction: 03/10/2026  
18 First Reading: 03/10/2026  
19 Publication:  
20 Public Hearing: 04/18/2026  
21 Second Reading:  
22 Final Passage: 04/29/2026  
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