

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

AN ORDINANCE to amend and reordain Section 3-2-230 (WHEN TAXES DUE, DELINQUENT TAXES; PENALTY) of Division 3 (TANGIBLE PERSONAL PROPERTY AND MACHINERY AND TOOLS), of Article M (LEVY AND COLLECTION OF PROPERTY TAXES), Chapter 2 (TAXATION), Title 3 (FINANCE, TAXATION AND PROCUREMENT) of The Code of the City of Alexandria, Virginia, 1981, as amended.

THE CITY COUNCIL OF ALEXANDRIA HEREBY ORDAINS:

Section 1. That Section 3-2-230 of The Code of the City of Alexandria, Virginia, 1981, as amended, be, and the same hereby is, amended by deleting the text shown in strikethrough and adding the text shown in underline as follows:

Sec. 3-2-230 - When taxes due, delinquent taxes; penalty.

(a)The taxes levied on tangible personal property, on machinery and tools, and on mobile homes, motor vehicles, boats and trailers, except those which become subject to said tax after September 5, shall be due and payable to the director on or before October 5 of the year for which they are levied and shall be considered delinquent after that date. To all of said taxes so delinquent there shall be added and collected as a part thereof a penalty of 10 percent or \$10, whichever is greater ~~if paid within 30 days after the due date, but said penalty shall increase to 25 percent or \$10, whichever is greater if said taxes so delinquent are paid more than 30 days past due~~; provided, however, that for tax year 2002 and subsequent tax years, the penalty for taxes levied on motor vehicles subject to the Personal Property Tax Relief Act of 1998 shall be calculated based solely on the portion of the taxes levied which the taxpayer is required to pay under such Act, and provided further that the penalty shall in no case exceed the amount of tax due from the taxpayer, and provided further that the entitlement to personal property tax relief for qualifying vehicles arising under the provisions of § 58.1-3524 of the Code of Virginia (1950), as it existed prior to the amendments made in Chapter 1 of the Acts of Assembly, 2004 Special Session I, for tax year 2005 and all prior tax years, shall expire on September 1, 2006, or such date as state funds for reimbursement of the state share of such bills have become unavailable, whichever earlier occurs, for any qualifying vehicle for which personal property tax, penalty, and interest remains due and owing as of September 1, 2006, for tax year 2005 and/or any prior tax years. In addition thereto, interest on the taxes and penalty due from the taxpayer shall commence on the first day following the day such taxes are due and shall continue until all such taxes and penalty are paid. Such interest shall accrue at the rate of 10 percent per annum for the first year such taxes and penalty remain unpaid and thereafter at the rate of five percent per annum. There shall also be due, in addition to all penalties and interest, fees for administrative costs, reasonable attorney's fees, collection agency's fees, Virginia Department of Taxation setoff debt collection fees, and/or Virginia Department of Motor Vehicles registration withholding fees incurred in the collection of such taxes, not to exceed the maximums permitted under §§ 46.2-752, 58.1-520.1, and 58.1-3958 of the Code of Virginia (1950), as amended.

(b)The taxes levied on motor vehicles, boats and trailers which become subject to taxation between September 6 and December 31 of any given year shall be due and payable not more than 30 days after they become so subject to taxation. These taxes shall be considered

1 delinquent if not paid on or before the thirtieth day from the date any motor vehicle, boat or  
2 trailer becomes subject to taxation. To all taxes so delinquent, there shall be added and collected  
3 as a part thereof, a penalty of 10 percent or \$10, whichever is greater if paid within 30 days after  
4 the due date, but said penalty shall increase to 25 percent or \$10, whichever is greater if said  
5 taxes so delinquent are paid more than 30 days past due; provided, however, that for tax year  
6 2002 and subsequent tax years, the penalty for taxes levied on motor vehicles subject to the  
7 Personal Property Tax Relief Act of 1998 shall be calculated based solely on the portion of the  
8 taxes levied which the taxpayer is required to pay under such Act, and provided further that the  
9 penalty shall in no case exceed the amount of tax due from the taxpayer, and provided further  
10 that the entitlement to personal property tax relief for qualifying vehicles arising under the  
11 provisions of § 58.1-3524 of the Code of Virginia (1950), as it existed prior to the amendments  
12 made in Chapter 1 of the Acts of Assembly, 2004 Special Session I, for tax year 2005 and all  
13 prior tax years, shall expire on September 1, 2006, or such date as state funds for reimbursement  
14 of the state share of such bills have become unavailable, whichever earlier occurs, for any  
15 qualifying vehicle for which personal property tax, penalty, and interest remains due and owing  
16 as of September 1, 2006, for tax year 2005 and/or any prior tax years. In addition thereto, interest  
17 on the taxes and penalty due from the taxpayer shall commence on the first day following the  
18 day such taxes are due and shall continue until all such taxes and penalty are paid. Such interest  
19 shall accrue at the rate of 10 percent per annum for the first year such taxes and penalty remain  
20 unpaid and thereafter at the rate of five percent per annum. There shall also be due, in addition to  
21 all penalties and interest, fees for administrative costs, reasonable attorney's fees, collection  
22 agency's fees, Virginia Department of Taxation setoff debt collection fees, and/or Virginia  
23 Department of Motor Vehicles registration withholding fees incurred in the collection of such  
24 taxes, not to exceed the maximums permitted under §§ 46.2-752, 58.1-520.1, and 58.1-3958 of  
25 the Code of Virginia (1950), as amended.

26 (c)With respect to the expiration, set forth in (a) and (b) above, of the entitlement to  
27 personal property tax relief for qualifying vehicles arising under the provisions of § 58.1-3524 of  
28 the Code of Virginia (1950), as it existed prior to the amendments made in Chapter 1 of the Acts  
29 of Assembly, 2004 Special Session I, for any qualifying vehicle for which personal property tax,  
30 penalty, and interest remains due and owing as of September 1, 2006, or such date as state funds  
31 for reimbursement of the state share of such bills have become unavailable, whichever earlier  
32 occurs, for tax year 2005 and/or any prior tax years, there shall be due for each such qualifying  
33 vehicle a supplemental amount equal to the credit for any reimbursable amount to which such  
34 qualifying vehicle would have been entitled pursuant to the provisions of Virginia Code § 58.1-  
35 3524 as it existed prior to the amendments effected by Chapter 1 of the Acts of Assembly of  
36 2004, Special Session I, plus penalty and interest thereon in the amounts provided for in this  
37 section. Penalty and interest with respect to bills issued pursuant to this subsection shall be  
38 computed on the entire amount of the tax owed. Interest shall be computed at the rates provided  
39 in this section from the original due date of the tax.

40 (d)There is hereby established an amnesty program for payment of delinquent taxes  
41 imposed under section 3-2-224 of this Code, for tax years 2004 and prior, the intent of which  
42 program being to improve voluntary compliance with the city's personal property tax ordinances  
43 and to increase and to accelerate collections of such taxes owed to the city, as follows:(1)The  
44 program shall be conducted during the period November 1, 2005, through December 31,  
45 2005.(2)All penalties and interest assessed or assessable, as provided in this section, with respect  
46 to the tax imposed under section 3-2-224 of this Code, which are the result of nonpayment,

1 underpayment, nonreporting or underreporting of tax liabilities, shall be waived upon receipt of  
 2 the payment of the amount of taxes owed, except that no person currently under investigation or  
 3 prosecution for filing a fraudulent return or failing to file a return with the intent to evade tax  
 4 shall qualify to participate.(3)Any taxpayer who defaults upon any agreement to pay tax arising  
 5 out of a grant of amnesty is subject to reinstatement of the penalty and interest forgiven and any  
 6 such other penalties as may apply, as though the taxpayer retained the original outstanding  
 7 balance at the close of the amnesty program. (Code 1963, Sec. 36-92; Ord. No. 2512, 9/13/80,  
 8 Sec. 1; Ord. No. 2750, 5/16/81, Sec. 3; Ord. No. 2664, 3/13/82, Sec. 2; Ord. No. 2873, 11/12/83,  
 9 Sec. 1; Ord. No. 2963, 11/12/83, Sec. 1; Ord. No. 2963, 9/15/84, Sec. 3; Ord. No. 3143, 6/14/86,  
 10 Sec. 3; Ord. No. 3159, 11/18/86, Sec. 3; Ord. No. 4005, 6/13/98, Sec. 1; Ord. No. 4058, 6/12/99,  
 11 Sec. 4; Ord. No. 4069, 9/18/99, Sec. 2; Ord. No. 4207, 6/16/01, Sec. 1; Ord. No. 4246, 4/13/02,  
 12 Sec. 2; Ord. No. 4424, 10/15/05, Sec. 1; Ord. No. 4480, 5/12/07, Sec. 1)

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14 Section 2. That Article M as amended pursuant to Section 1 of this ordinance, be, and the  
 15 same hereby is, reordained as part of the City of Alexandria City Code.

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17 Section 3. That this ordinance shall become effective for Tax Years 2024 and thereafter,  
 18 as of January 1, 2024, nunc pro tunc.

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JUSTIN M. WILSON  
 Mayor

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Introduction and First Reading: 04/02/2024

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Publication:

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Second Reading and Public Hearing: 04/13/2024

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Final Passage: 05/01/2024

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