

Attachment 3

Overview of 10 Major Tax Revenues

Tax	Current Tax Rate	Description	Due Date	FY 2018 Actual Revenue	FY 2019 Approved Budget
Real Property	\$1.13 per \$100 of assessed value	All real property in the City (approximately 46,000 parcels) are annually assessed at 100 percent of fair market value.	June 15/ November 15	\$ 438,341,911	\$ 446,963,782
Vehicle Personal Property	\$5.00 per \$100 of assessed value	All vehicles in the City (approximately 132,000 vehicles) are assessed based on the NADA value. The vehicle owner is responsible for a portion of the tax (based on the value of the vehicle) and the State provides a total of \$23.6 million associated with the Personal Property Tax Relief Act of 1998.	October 5	\$ 33,293,710	\$ 34,700,000
Business Personal Property	Varied	All tangible business equipment, such as machinery, computers and furniture used in the course of business is assessed based on a percentage of the original purchase cost.	October 5	\$ 15,947,065	\$ 16,100,000
Business License	Varied	Also known as gross receipts tax, this is applied against the gross earnings of all businesses in the City with gross receipts above \$100,000. Below \$100,000, but above \$10,000, a business pays a flat fee of \$50.	March 1	\$ 33,846,542	\$ 34,878,000
Local Sales and Use	1% in addition to the 5% State levied tax rate	Sales tax is collected by retail merchants operating in the City when goods and services are purchased. In Alexandria for non-food items, the total sales tax equals 6 percent, including the 1 percent for the locality, 0.7 percent for transportation in Northern Virginia and 4.3 percent for the state.	Remitted by the State to the City two months after collection	\$ 27,257,656	\$ 27,700,000

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Tax	Current Tax Rate	Description	Due Date	FY 2018	
				Actual Revenue	FY 2019 Approved Budget
Restaurant Meals	\$0.05	This tax is charged to consumers at restaurants as a percent of the total bill. The revenue is held by the restaurant and remitted to the City monthly.	Remitted by the Business Owner to the City one month after collection	\$ 18,283,682	\$ 24,150,000
Transient Lodging	6.5%/\$1.25 per night	This tax is charged to visitors of city hotels as a percent of the total room cost, plus the \$1.25 per night charge. The revenue is held by the hotel and remitted to the City monthly.	Remitted by the Business Owner to the City one month after collection	\$ 12,883,323	\$ 13,275,000
Consumer Utility	varied	This consumption tax is assessed on electric, gas and water bills generated in the City. Rates and application varies for residential and commercial use and by utility type.	Remitted by the Utility Company to the City one month after collection	\$ 12,069,408	\$ 11,800,000
Communication Sales	\$0.05	This tax is assessed on the sales price of all communications service provided in the City.	Remitted by the State to the City one month after collection	\$ 9,881,812	\$ 9,900,000
Real Estate Recordation	\$0.83 per \$1,000 of sales price	Assessed on the sales price of all recorded property transactions recorded in the City. This portion reflects the amount retained by the locality.	Remitted by the Clerk of the Courts to the City one month following collection	\$ 7,359,257	\$ 5,300,000
Bank Franchise	\$0.80 per each \$100 of net capital	Tax rate applied to the net capital of deposits held by local banks.	Paid by Banks to the City on June 1	\$ 3,828,225	\$ 3,800,000