FAIRFAX COUNTY
POTENTIAL REVENUE SOURCES AND CURRENT TAXES WITH RATE FLEXIBILITY
MAY 2014

Taxes Not Currently Levied

Revenue Category	Information	Action Required	Rate Limitations	Potential Revenue
Restaurant Meals Tax	Counties may levy a Meals Tax if approved in a voter referendum. There is no sunset provision and no restrictions for the use of revenue generated. All cities and towns in Northern Virginia levy a meals tax. See Attachment 1.	Requires approval in a voter referendum.	Not to exceed 4%	1%=$22.5 million 4%=$90.0 million
Admissions Tax	The *Code of Virginia* allows all cities and towns and specific counties to levy an Admissions Tax. The tax would apply to concerts, movies, and live theater events, etc. The tax could not be imposed on federal venues (Wolf Trap). The tax would apply to non-university related events at the Patriot Center. Alexandria is the only local jurisdiction that levies the tax. The tax in Alexandria is 10% with a maximum of 50 cents per ticket.	Public hearing, approval by the Board of Supervisors and ordinance change	Not to exceed 10% of admission price	1%=$0.6 million 5%=$3.0 million 10%=$6.0 million
Probate Tax	All localities may levy a probate tax on wills at one-third the state rate which is currently 10 cents per $100 on estates valued greater than $15,000. Arlington, Loudoun, and Falls Church levy this tax.	Public hearing, approval by the Board of Supervisors and ordinance change	$0.033 per $100 of estates valued at greater than $15,000	$0.2 million

Taxes Currently Levied

Revenue Category (FY 2014 Revenue Estimate)	Information	Action Required	Rate Limitations	Potential Revenue
Real Estate Tax - Current ($2,344.7 million)	As with all localities in Virginia, the Real Estate tax is the County's primary source of revenue. The tax applies to land and buildings. The current tax rate is $1.09/$100 of assessed value.	Public hearing, approval by the Board of Supervisors.	There is no restriction on the tax rate that may be imposed.	1 real estate penny = $21.9 million (FY 2015)

FAIRFAX COUNTY
POTENTIAL REVENUE SOURCES AND CURRENT TAXES WITH RATE FLEXIBILITY
MAY 2014

Taxes Currently Levied (continued)

Revenue Category	Information	Action Required	Rate Limitations	Potential Revenue
Personal Property Tax - Current ($564.0 million)	All localities in Virginia may levy a tax on personal property owned by businesses and individuals including motor vehicles, business furniture, fixtures and computers. The current tax rate is $4.57/$100 of assessed value. The County receives $211 million annually from the state for personal property tax relief. The $211 million allowed for tax relief of 62% per personal vehicle in FY 2015 at the current tax rate. The amount of state tax relief to the County does not change; therefore, the tax relief percentage and the amount the taxpayer pays is impacted by the number and value of vehicles, as well as, the tax rate.	Public hearing, approval by the Board of Supervisors.	There is no restriction on the tax rate that may be imposed.	1 cent on the personal property tax rate= $1.1 million (FY 2015)
BPOL - Business, Professional, Occupational Licenses ($155.2 million) For current County tax rates by business and state maximum rates, see Tab I, page 3 of Task Force binder.	BPOL is currently levied on the gross receipts of businesses in the County. Rates vary by business category. County rates are below the State maximums allowed except for one category. Numerous attempts have been made by the state to reduce or eliminate the BPOL tax. The 2013 General Assembly directed the Joint Legislative Audit and Review Commission (JLARC) to study the fiscal impact of changing the basis of the BPOL tax from gross receipts to net income. The JLARC report indicated that a change to net income could reduce local revenue from the tax by about 95 percent. It is uncertain if legislation to change the BPOL tax will be introduced during the upcoming General Assembly session.	Public hearing, approval by the Board of Supervisors and ordinance change	State maximum rates by business category.	1 cent increase in all rates that are below the state max=$7.3 million At State maximum rates=$78.4 million (Based on FY 2013 actual receipts)