

Response to Questions on the FY 2011 Budget

Request By: Supervisor Frey

Question: A few speakers have mentioned that Fairfax County's real estate tax rate is 40th in the country. What is the source of this information?

Response: Staff conducted an Internet search for rankings of property taxes by county and found the following information.

Using recently released information from the U.S. Census Bureau's 2008 American Community Survey, the Tax Foundation ranked 790 counties in terms of property taxes. In that analysis, Fairfax County ranked 39th out of 790 in terms of median property taxes paid on homes and 417th in terms of property taxes paid as a percentage of home value. The Tax Foundation also ranked counties in terms of property taxes as a percentage of income. In that measure, Fairfax County ranked 207 out of 790.

Care must be taken when comparing tax rates across the nation due to differences in taxing authority. For example, Montgomery County, Maryland ranks lower than Fairfax County on each of the property tax measures above; however Montgomery County levies and income tax on residents where Fairfax County does not.