

**BOARD OF SUPERVISORS
FINANCE/GOVERNMENT OPERATIONS AND
ECONOMIC DEVELOPMENT
INFORMATION ITEM**

SUBJECT: Personal Property Tax Rates

ELECTION DISTRICT: Countywide

STAFF CONTACTS: Robert S. Wertz, Jr. Commissioner of the Revenue
Beth A Shenk, Personal Property Deputy

PURPOSE: Provide information regarding the Board of Supervisor's (Board) options for setting or changing personal property tax rates and the schedule for making such changes, if desired. Information regarding the assessment ratios used by the Commissioner of the Revenue for the assessment of business personal tangible property and the schedule to implement any changes to these ratios is also included in this item.

BACKGROUND: As part of the Fiscal Year (FY) 2018 budget process, the Board will be establishing property tax rates. This item is not a proposal to increase or decrease local tax rates. It is being presented to outline the Board's authority and provide a timeline for implementing changes should the Board consider making changes to personal property tax rates. Personal property tax rates are established at the discretion of the Board. However, any changes to the vehicle personal property tax rates will directly impact the adopted FY 2017 and proposed FY 2018 budgets, the billing of first half Tax Year (TY) 2017 personal property taxes, and the percentage of personal property tax relief (PPTR) or car tax relief to be provided for TY 2017.

Virginia localities have administered the local tax on tangible personal property since 1926, when the state relinquished it as a state revenue source. Since then, it has grown into the second largest local revenue source for most counties and cities. All Virginia counties and cities impose the tangible personal property tax prescribed under Virginia Code § 58.1-3500 through 3535. The Virginia Constitution provides in Article X, Sections 1 and 2 that all property be taxed, and that all assessments be at fair market value.

Tangible personal property is property that can be moved as distinguished from real property which is land and those things attached to land. Tangible personal property includes business equipment, vehicles of all types, and machinery, etc. Household goods, farm machinery and livestock have been exempted in most localities, as permitted by Virginia Code. Business inventories are also exempted in those localities like Loudoun, which impose the business, professional and occupational license (BPOL) tax. In Virginia, property within a county or city is

subject to taxation by the respective county or city. Property located within an incorporated town is subject to taxation by both the county and the incorporated town. In Loudoun, the towns of Hamilton, Leesburg, Lovettsville, Purcellville, and Round Hill impose a tax on personal property in addition to that imposed by Loudoun County.

Personal property tax is a self-reported tax; property owners are required to report the property upon which the assessment is levied. If not reported, an assessment is levied based on the best information available. In Loudoun, business tangible personal property must be annually declared to the Commissioner of the Revenue by April 15 and vehicles must be declared within 60 days of attaining situs in the County. A 10 percent late filing penalty is added to the tax bill for failure to file by the prescribed deadlines. The Commissioner of the Revenue will be bringing an item to the Finance/Government Operations and Economic Development Committee (FGOEDC) October 11, 2016 meeting proposing a change to the business tangible personal property filing deadline to March 1 beginning in 2017.

Virginia Code § 58.1-3516 authorizes localities to prorate on a monthly basis the tangible personal property tax on motor vehicles, trailers, semitrailers, and boats. Although, Loudoun is a prorating locality on this property, no authority exists to prorate business tangible personal property. A twelve-month tax is assessed on all business personal property located in the County on January 1 (“tax day”) of the tax year. Consequently, a business that ceases after January 1 is liable for the tangible personal property tax for the entire tax year. Conversely, a new business that opened after January 1 will generally not be subject to tangible personal property taxes until the calendar year after opening.

Given that Virginia operates under the Dillon Rule, localities are provided the authority to establish different tax rates and assessment methodologies only on classifications of property delineated in Virginia Code. These various classes include multiple classes of vehicles, boats, aircraft, business equipment, mobile homes, and many more. Virginia Code § 58.1-3503 (Attachment 1) provides a list of classes of property for valuation purposes. Virginia Code § 58.1-3503 also prescribes that assessment ratios be used only with the concurrence of the local governing body. The Code of Virginia establishes a number of separate classes of personal property which localities may tax at different rates. Virginia Code § § 58.1-3504 and 3505 (Attachment 2) provide lists of classes of property that localities may exempt and § 58.1-3506 (Attachment 3) provides a list of classes of property for tax rate purposes. Virginia Code § 58.1-3506 also dictates which rate classes must be lower than others.

While localities must assess tangible personal property at fair market value, localities are authorized to value each class of property according to a different method, so long as the methods are uniform within each class. As an example, automobiles must be valued according to a recognized pricing guide and business tangible property is valued based upon a percentage of original cost. Since the classes of property, and types of property within those classes devalue at various rates, valuing tangible personal property at fair market value is a challenge. In addition to requiring valuation based on a pricing guide or cost, the Code of Virginia requires that the value of tangible personal property be fixed as of January 1 regardless of when the property may have been purchased or located in Loudoun County. Loudoun County utilizes the January Eastern

Edition of the National Automobile Dealers Association Used Car Guide for vehicle valuation purposes as so all Virginia localities.

Because the taxable basis of property varies by locality, it is important to evaluate and compare relative tax rates based on the nominal (stated) tax rate combined with the assessment percentage to arrive at an effective tax rate. For example, most recognized pricing guides for automobiles contain a number of values such as trade-in, retail and average loan (finance) values. Localities may utilize different values in these recognized pricing guides so long as they are used uniformly. Some localities value vehicles at retail while other such as Loudoun, use clean loan value for assessment purposes. Additionally, some localities assess automobiles based on a percentage of those values. In order to make a proper comparison of tax rates across localities, both the variations in the taxable basis of property and the varying tax rates must be combined into an effective tax rate. A chart comparing net effective rates is included as (Attachment 4) utilizing the value of the predominate vehicle in Loudoun County, a 2012 Honda Civic 4D EX.

Virginia Code requires that the condition of the property must be given consideration in valuing tangible personal property. Many localities, including Loudoun, adjust vehicle valuation based on unusually high mileage or significant unrepaired damage as of tax day. Assessment percentages are utilized to derive the fair market value of business personal property and take into account both technological and functional obsolescence (normal wear and tear). The chart below shows Loudoun's assessment schedule for business personal property for tax year 2016. This assessment schedule has been in place in Loudoun since at least 1988.

Business Tangible Personal Property Tax Assessment Factors for 2017	
Year of Purchase	Percentage of Original Cost
2016	50%
2015	40%
2014	30%
2013	20%
2012 & Prior	10%

A study to review the validity of the assessment schedule utilized by Loudoun County was conducted in 2003 and again in 2010. The Commissioner of the Revenue will be undertaking another review of the schedule in FY2017.

The Personal Property Tax Relief Act of 1998 altered the taxation of personal use motor vehicles. Under the original act, the tangible personal property tax on the first \$20,000 of value of non-business passenger cars, pickup or panel trucks, and motorcycles less than 7500 lbs. gross weight was to be eliminated by 2002 and replaced with a reimbursement by the state. Because of the rising costs of the program, the General Assembly modified the relief program by extending the phase-out period. A \$950 million statewide cap on reimbursements to localities was subsequently imposed in 2006. In conjunction with the new cap, discretion in setting tangible personal property tax rates, which was previously limited, was restored to localities. Loudoun receives \$48 million annually from the Commonwealth for use in offsetting the personal property tax on qualified vehicles. The PPTR percentage for tax year 2016 was 43%. Consequently, owners of qualifying personal use vehicles pay 57% of the total tax on their vehicles. PPTR covers the entire tax for owners of qualified vehicles valued at \$1000 or less.

Legislation was passed during the 2016 General Assembly session, which is effective beginning in tax year 2017 changing the definition of trucks which qualify for PPTR. This legislation updates language in Virginia Code § 46.2-100. Definitions to the following:

"Pickup or panel truck" means (i) every motor vehicle designed for the transportation of property and having a registered gross weight of 7,500 pounds or less or (ii) every motor vehicle registered for personal use, designed to transport property on its own structure independent of any other vehicle, and having a registered gross weight in excess of 7,500 pounds but not in excess of 10,000 pounds. This change in legislation increases the number of vehicles in Loudoun County which will qualify for PPTR in tax year 2017.

There are presently 1,023 vehicles on Loudoun County's tax rolls which did not previously qualify for PPTR and may potentially qualify beginning January 1, 2017.

A survey of some tangible personal property tax rates for 2016 in neighboring localities follows:

Nominal 2016 Tangible Personal Property Tax Rates in Selected Jurisdictions				
Jurisdiction	General Rate	Machinery & Tools	Aircraft	Computer Equipment
Loudoun County	\$4.20	\$2.75	\$0.01	\$4.20
Alexandria, City of	\$4.75	\$4.50	\$0.01	\$4.75
Arlington County	\$5.00	\$5.00	\$5.00	\$5.00
Fairfax, City of	\$4.13	\$4.13	\$4.13	\$4.13
Fairfax County	\$4.57	\$4.57	\$0.01	\$4.57
Falls Church, City of	\$5.00	\$5.00	\$5.00	\$5.00

Fauquier County	\$4.65	\$2.30	\$0.001	\$2.30
Prince William County	\$3.70	\$2.00	\$0.00001	\$1.25

While the general personal property tax rate which encompasses most vehicles and business equipment has been set at \$4.20 per \$100 of assessed value, the Board has instituted separate, lower tax rates for a number of classes of tangible personal property. For some time, Loudoun has utilized local tax policy to encourage economic development and the growth of specific industries or business segments. This strategy has been employed in the establishment of separate, lower property tax rates on the business equipment of aerospace, satellite, and manufacturing businesses.

The Board has also provided vehicle personal property tax discounts for fire and rescue volunteers, persons 65 years of age or older or with disabilities, and owners of four-wheeled low-speed electric vehicles. Owners of clean special fuel vehicles (hybrids) also enjoyed a lower tax rate from 2005 until 2010, when the rate on this class was returned to \$4.20, and all-electric vehicles benefited from the lower rate until 2012, when the rate on this class was returned to \$4.20, the same rate as that on most other vehicles.

During the 2007 General Assembly session and at the Board’s request, the General Assembly established a special tax classification for tax rate purposes for business equipment of wireless broadband providers. The Board has not set a separate rate for this class of property; therefore, it is currently taxed at the general personal property tax rate of \$4.20.

At the April 26, 2016 Board Business meeting, Supervisor Umstatted made a motion directing the Commissioner of the Revenue and his staff to research the fiscal impact of providing a lowered personal property tax rate of \$0.01 per \$100 of assessed value for one vehicle of permanently disabled veterans as authorized under the Code of Virginia § 58.1-3506 (A) (19). Section [58.1-3506 \(A\) \(19\)](#) of the *Code of Virginia* states, the following are declared to be a separate class of property and shall constitute a classification for local taxation separate from other classifications of tangible personal property:

“One motor vehicle owned and regularly used by a veteran who has either lost, or lost the use of, one or both legs, or an arm or a hand, or who is blind or who is permanently and totally disabled as certified by the Department of Veterans Services. In order to qualify, the veteran shall provide a written statement to the commissioner of revenue or other assessing officer from the Department of Veterans Services that the veteran has been so designated or classified by the Department of Veterans Services as to meet the requirements of this section, and that his disability is service-connected. For purposes of this section, a person is blind if he meets the provisions of § 46.2-100.”

The Code grants localities the authority to provide a reduced personal property tax rate to vehicles owned by disabled veterans, however, Loudoun County has not yet established such a rate. An item brought to the September 13, 2016 FGOEDC by the Commissioner of the Revenue estimated

the fiscal impact of a \$0.01 rate at \$32,551 based on the number of individuals meeting the definition, and the value of the most predominate vehicle on Loudoun’s tax rolls. Should the Board wish to adopt a lowered personal property tax rate of \$0.01 per \$100 of assessed value on one motor vehicle owned and regularly used by a qualifying disabled veteran, the Board will want to direct the County Administrator, as part of the FY 2018 budget process, to advertise a maximum proposed rate for this separate class of property for tax year 2017.

The chart below summarizes the rates of property that are taxed at rates less than that on the general class of tangible personal property.

Loudoun’s Classes of Property with Lowered Rates		
Property Type	State Rate Limitation	2016 Rate
Aircraft & Flight Simulators	1	\$0.01
Heavy Construction Machinery	1	\$4.00
Machinery & Tools	1	\$2.75
Research & Development Business	2	\$2.75
Satellite Manufacturing, Testing & Operating	2	\$0.01
Four-wheeled Electrically-powered Low Speed Vehicles	1	\$1.00
Volunteer, Auxiliary Fire, Rescue, or Sheriff’s Auxiliary	1	\$0.01
Qualified Elderly or Disabled	1	\$2.10
Specially Equipped Vehicles for the Handicapped	1	\$2.10
Motor Carrier	2	\$2.75
Personal Property Owned by Homeowners Associations	1	\$0.01
Wild or Exotic Animals Kept for Public Exhibition	1	\$0.01

Rate Limitations:

- 1 – Cannot exceed the locality’s general rate, which for 2016 was \$4.20/\$100 of assessed value.
- 2 – Cannot exceed the locality’s machinery & tools rate, which for 2016 was \$2.75/\$100 of assessed value.

The chart below summarizes the personal property tax rate history of the general class of tangible personal property in Loudoun County.

Loudoun's Personal Property Tax Rate History	
Tax Year	Rate Per \$100
1972 – 1982	\$5.00
1983 – 1984	\$4.75
1985	\$4.50
1986	\$4.40
1987 – 2016	\$4.20

Should the Board wish to change Loudoun's personal property tax rate on the general class of property or establish alternative personal property tax rates on any of the classes of property listed in § 58.1-3506, the Board will want to direct the County Administrator, as part of the FY 2018 budget process, to advertise a maximum proposed rate for each separate class of property for tax year 2017. The rates would be advertised with all the maximum proposed CY 2017 property tax rates in early February 2017. The Board through its adoption of the FY 2018 budget in March/April 2017 would then establish a rate or rates on these classifications of personal property. Since Loudoun's first-half personal property tax installment is due on May 5 and the Treasurer historically mails bills at least 30 days prior to the due date, the Board usually commits to specific tangible personal property tax rates the first week in March to afford sufficient time for tax bills to be produced and mailed. The following table provides a general timeline for setting the personal property tax rates for 2017:

Timeline for Setting Personal Property Tax Rates for 2017	
Date	Activity
October 2016	Review Tax Rate Options
January 2017	Provide County Administrator Guidance on Tax Rates
February 2017	Advertise Maximum Tax Rates
March 2017	Affirm Tax Rates
April 2017	Establish Tax Rates w/ Budget Adoption

No local ordinance amendments are necessary for the Board to set separate tax rates on any of the personal property tax categories already spelled out in Virginia Code § 58.1-3506. The Board's only required action would be to affirmatively establish separate rates after proper public notice was provided by the County.

If the Board fails to concur with the assessment ratios utilized by the Commissioner of the Revenue, any change would need to be implemented by the end of February 2017 so that business tangible personal property could be billed by the Treasurer with a June 5 due date. Virginia Code § 58.1-3507 also requires that whenever there is a proposal to change the means of valuing machinery and tools, such proposed change shall be enacted only after the change has been properly advertised and the citizens have been afforded the opportunity to submit comments regarding the proposed change.

ISSUES: In order to issue personal property tax bills with a May 5, 2017 due date, the last date for vehicle personal property tax rate adoption is the first business meeting in March 2017. While personal property billed with a June 5, 2017 payment deadline could be adopted as late as April 2017, such a delay in setting these rates would still have a negative impact on the billing process for tax year 2017 and could affect the adopted FY 2017 budget. A change in the filing deadline for Business Tangible Personal Property from April 15 to March 1 would require the Board to set the rate on this class in February.

FISCAL IMPACT: There would be a fiscal impact to FY 2017 if the Board chose to change any of the calendar year 2017 tax rates. FY 2018 would also be affected by a change in rates.

Chapter 35. Tangible Personal Property, Machinery and Tools and Merchants' Capital

§ 58.1-3503. General classification of tangible personal property

A. Tangible personal property is classified for valuation purposes according to the following separate categories which are not to be considered separate classes for rate purposes:

1. Farm animals, except as exempted under § 58.1-3505.
2. Farm machinery, except as exempted under § 58.1-3505.
3. Automobiles, except those described in subdivisions 7, 8, and 9 of this subsection and in subdivision A 8 of § 58.1-3504, which shall be valued by means of a recognized pricing guide or if the model and year of the individual automobile are not listed in the recognized pricing guide, the individual vehicle may be valued on the basis of percentage or percentages of original cost. In using a recognized pricing guide, the commissioner shall use either of the following two methods. The commissioner may use all applicable adjustments in such guide to determine the value of each individual automobile, or alternatively, if the commissioner does not utilize all applicable adjustments in valuing each automobile, he shall use the base value specified in such guide which may be either average retail, wholesale, or loan value, so long as uniformly applied within classifications of property. If the model and year of the individual automobile are not listed in the recognized pricing guide, the taxpayer may present to the commissioner proof of the original cost, and the basis of the tax for purposes of the motor vehicle sales and use tax as described in § 58.1-2405 shall constitute proof of original cost. If such percentage or percentages of original cost do not accurately reflect fair market value, or if the taxpayer does not supply proof of original cost, then the commissioner may select another method which establishes fair market value.
4. Trucks of less than two tons, which may be valued by means of a recognized pricing guide or, if the model and year of the individual truck are not listed in the recognized pricing guide, on the basis of a percentage or percentages of original cost.
5. Trucks and other vehicles, as defined in § 46.2-100, except those described in subdivisions 4, and 6 through 10 of this subsection, which shall be valued by means of either a recognized pricing guide using the lowest value specified in such guide or a percentage or percentages of original cost.
6. Manufactured homes, as defined in § 36-85.3, which may be valued on the basis of square footage of living space.
7. Antique motor vehicles, as defined in § 46.2-100, which may be used for general transportation purposes as provided in subsection C of § 46.2-730.
8. Taxicabs.
9. Motor vehicles with specially designed equipment for use by the handicapped, which shall not be valued in relation to their initial cost, but by determining their actual market value if offered for sale on the open market.
10. Motorcycles, mopeds, all-terrain vehicles, and off-road motorcycles as defined in § 46.2-100,

campers and other recreational vehicles, which shall be valued by means of a recognized pricing guide or a percentage or percentages of original cost.

11. Boats weighing under five tons and boat trailers, which shall be valued by means of a recognized pricing guide or a percentage or percentages of original cost.

12. Boats or watercraft weighing five tons or more, which shall be valued by means of a percentage or percentages of original cost.

13. Aircraft, which shall be valued by means of a recognized pricing guide or a percentage or percentages of original cost.

14. Household goods and personal effects, except as exempted under § [58.1-3504](#).

15. Tangible personal property used in a research and development business, which shall be valued by means of a percentage or percentages of original cost.

16. Programmable computer equipment and peripherals used in business which shall be valued by means of a percentage or percentages of original cost to the taxpayer, or by such other method as may reasonably be expected to determine the actual fair market value.

17. All tangible personal property employed in a trade or business other than that described in subdivisions 1 through 16 of this subsection, which shall be valued by means of a percentage or percentages of original cost.

18. Outdoor advertising signs regulated under Article 1 (§ [33.2-1200](#) et seq.) of Chapter 12 of Title 33.2.

19. All other tangible personal property.

B. Methods of valuing property may differ among the separate categories, so long as each method used is uniform within each category, is consistent with requirements of this section and may reasonably be expected to determine actual fair market value as determined by the commissioner of revenue or other assessing official; however, assessment ratios shall only be used with the concurrence of the local governing body. A commissioner of revenue shall upon request take into account the condition of the property. The term "condition of the property" includes, but is not limited to, technological obsolescence of property where technological obsolescence is an appropriate factor for valuing such property. The commissioner of revenue shall make available to taxpayers on request a reasonable description of his valuation methods. Such commissioner, or other assessing officer, or his authorized agent, when using a recognized pricing guide as provided for in this section, may automatically extend the assessment if the pricing information is stored in a computer.

Code 1950, §§ 58-829, 58-829.3, 58-829.5; 1960, c. 418; 1970, cc. 325, 655; 1974, c. 445; 1975, cc. 47, 541; 1976, c. 567; 1978, cc. 155, 178, 656, 843; 1979, c. 576; 1980, c. 412; 1981, c. 236; 1982, c. 633; 1984, cc. 675, 689; 1985, c. 105; 1987, c. 568; 1991, cc. 253, 255; 1994, c. [827](#); 1996, c. [529](#); 1997, cc. [192](#), [250](#), [433](#), [457](#); 2006, c. [896](#); 2013, cc. [287](#), [652](#), [783](#).

Code of Virginia

Title 58.1. Taxation

Chapter 35. Tangible Personal Property, Machinery and Tools and Merchants' Capital

§ 58.1-3504. Classification of certain household goods and personal effects for taxation; governing body may exempt

A. Notwithstanding any provision of § 58.1-3503, household goods and personal effects are hereby defined as separate items of taxation and classified as follows:

1. Bicycles.
2. Household and kitchen furniture, including gold and silver plates, plated ware, watches and clocks, sewing machines, refrigerators, automatic refrigerating machinery of any type, vacuum cleaners and all other household machinery, books, firearms and weapons of all kinds.
3. Pianos, organs, and all other musical instruments; phonographs, record players, and records to be used therewith; and radio and television instruments and equipment.
4. Oil paintings, pictures, statuary, curios, articles of virtu and works of art.
5. Diamonds, cameos or other precious stones and all precious metals used as ornaments or jewelry.
6. Sporting and photographic equipment.
7. Clothing and objects of apparel.
8. Antique motor vehicles as defined in § 46.2-100 which may not be used for general transportation purposes.
9. All-terrain vehicles, mopeds, and off-road motorcycles as defined in § 46.2-100.
10. Electronic communications and processing devices and equipment, including but not limited to cell phones and tablet and personal computers, including peripheral equipment such as printers.
11. All other tangible personal property used by an individual or a family or household incident to maintaining an abode.

The classification above set forth shall apply only to such property owned and used by an individual or by a family or household primarily incident to maintaining an abode.

The governing body of any county, city or town may, by ordinance duly adopted, exempt from taxation all of the above classes of household goods and personal effects.

B. Notwithstanding any provision set forth above, household appliances in residential rental property used by an individual or by a family or household incident to maintaining an abode shall be deemed to be fixtures and shall be assessed as part of the real property in which they are located.

For purposes of this subsection, "household appliances" shall mean all major appliances customarily used in a residential home and which are the property of the owner of the real estate,

including, without limitation, refrigerators, stoves, ranges, microwave ovens, dishwashers, trash compactors, clothes dryers, garbage disposals and air conditioning units.

Code 1950, § 58-829.1; 1958, c. 72; 1984, cc. 675, 768; 1997, c. [250](#); 2006, c. [896](#); 2013, c. [783](#); 2014, c. [279](#).

Code of Virginia

Title 58.1. Taxation

Chapter 35. Tangible Personal Property, Machinery and Tools and Merchants' Capital

§ 58.1-3505. Classification of farm animals, certain grains, agricultural products, farm machinery, farm implements and equipment; governing body may exempt

A. Farm animals, grains and other feeds used for the nurture of farm animals, agricultural products, farm machinery and farm implements are hereby defined as separate items of taxation and classified as follows:

1. Horses, mules and other kindred animals.
2. Cattle.
3. Sheep and goats.
4. Hogs.
5. Poultry.
6. Grains and other feeds used for the nurture of farm animals.
7. Grain; tobacco; wine produced by farm wineries as defined in § 4.1-100 and other agricultural products in the hands of a producer.
8. Farm machinery other than the farm machinery described in subdivision 10, and farm implements, which shall include equipment and machinery used by farm wineries as defined in § 4.1-100 in the production of wine.
9. Equipment used by farmers or farm cooperatives qualifying under § 521 of the Internal Revenue Code to manufacture industrial ethanol, provided that the materials from which the ethanol is derived consist primarily of farm products.
10. Farm machinery designed solely for the planting, production or harvesting of a single product or commodity.
11. Privately owned trailers as defined in § 46.2-100 that are primarily used by farmers in their farming operations for the transportation of farm animals or other farm products as enumerated in subdivisions A 1 through A 7 of this section.
12. Motor vehicles that are used exclusively for agricultural purposes, for which the owner is not required to obtain a registration certificate, license plate, and decal or pay a registration fee pursuant to § 46.2-665, 46.2-666, or 46.2-670.
13. Trucks or tractor trucks as defined in § 46.2-100, that are exclusively used by farmers in their farming operations for the transportation of farm animals or other farm products as enumerated in subdivisions 1 through 7 or for the transport of farm-related machinery.

B. The governing body of any county, city or town may, by ordinance duly adopted, exempt in whole or in part from taxation, or provide a different rate of tax upon, all or any of the above classes of farm animals, grains and feeds used for the nurture of farm animals, farm vehicles, and

farm machinery, implements or equipment set forth in subsection A.

C. Grain; tobacco; wine produced by farm wineries as defined in § 4.1-100 and other agricultural products shall be exempt from taxation while in the hands of a producer.

Code 1950, § 58-829.1:1; 1976, c. 560; 1979, c. 576; 1980, c. 314; 1984, cc. 150, 675; 1993, c. 866; 1998, c. 332; 2004, c. 556; 2012, c. 272.

Code of Virginia

Title 58.1. Taxation

Chapter 35. Tangible Personal Property, Machinery and Tools and Merchants' Capital

§ 58.1-3506. Other classifications of tangible personal property for taxation

A. The items of property set forth below are each declared to be a separate class of property and shall constitute a classification for local taxation separate from other classifications of tangible personal property provided in this chapter:

1. a. Boats or watercraft weighing five tons or more, not used solely for business purposes;
- b. Boats or watercraft weighing less than five tons, not used solely for business purposes;
2. Aircraft having a maximum passenger seating capacity of no more than 50 that are owned and operated by scheduled air carriers operating under certificates of public convenience and necessity issued by the State Corporation Commission or the Civil Aeronautics Board;
3. Aircraft having a registered empty gross weight equal to or greater than 20,000 pounds that are not owned or operated by scheduled air carriers recognized under federal law, but not including any aircraft described in subdivision 4;
4. Aircraft that are (i) considered Warbirds, manufactured and intended for military use, excluding those manufactured after 1954, and (ii) used only for (a) exhibit or display to the general public and otherwise used for educational purposes (including such flights as are necessary for testing, maintaining, or preparing such aircraft for safe operation), or (b) airshow and flight demonstrations (including such flights necessary for testing, maintaining, or preparing such aircraft for safe operation), shall constitute a new class of property. Such class of property shall not include any aircraft used for commercial purposes, including transportation and other services for a fee;
5. All other aircraft not included in subdivisions A 2, A 3, or A 4 and flight simulators;
6. Antique motor vehicles as defined in § 46.2-100 which may be used for general transportation purposes as provided in subsection C of § 46.2-730;
7. Tangible personal property used in a research and development business;
8. Heavy construction machinery not used for business purposes, including land movers, bulldozers, front-end loaders, graders, packers, power shovels, cranes, pile drivers, forest harvesting and silvicultural activity equipment and ditch and other types of diggers;
9. Generating equipment purchased after December 31, 1974, for the purpose of changing the energy source of a manufacturing plant from oil or natural gas to coal, wood, wood bark, wood residue, or any other alternative energy source for use in manufacturing and any cogeneration equipment purchased to achieve more efficient use of any energy source. Such generating equipment and cogeneration equipment shall include, without limitation, such equipment purchased by firms engaged in the business of generating electricity or steam, or both;
10. Vehicles without motive power, used or designed to be used as manufactured homes as defined in § 36-85.3;

11. Computer hardware used by businesses primarily engaged in providing data processing services to other nonrelated or nonaffiliated businesses;
12. Privately owned pleasure boats and watercraft, 18 feet and over, used for recreational purposes only;
13. Privately owned vans with a seating capacity of not less than seven nor more than 15 persons, including the driver, used exclusively pursuant to a ridesharing arrangement as defined in § 46.2-1400;
14. Motor vehicles specially equipped to provide transportation for physically handicapped individuals;
15. Motor vehicles (i) owned by members of a volunteer emergency medical services agency or a member of a volunteer fire department or (ii) leased by volunteer emergency medical services personnel or a member of a volunteer fire department if the volunteer is obligated by the terms of the lease to pay tangible personal property tax on the motor vehicle. One motor vehicle that is owned by each volunteer member who meets the definition of "emergency medical services personnel" in § 32.1-111.1 or volunteer fire department member, or leased by each volunteer member who meets the definition of "emergency medical services personnel" in § 32.1-111.1 or volunteer fire department member if the volunteer is obligated by the terms of the lease to pay tangible personal property tax on the motor vehicle, may be specially classified under this section, provided the volunteer regularly responds to emergency calls. The volunteer shall furnish the commissioner of revenue, or other assessing officer, with a certification by the chief of the volunteer emergency medical services agency or volunteer fire department, that the volunteer is an individual who meets the definition of "emergency medical services personnel" in § 32.1-111.1 or a member of the volunteer fire department who regularly responds to calls or regularly performs other duties for the emergency medical services agency or fire department, and the motor vehicle owned or leased by the volunteer is identified. The certification shall be submitted by January 31 of each year to the commissioner of revenue or other assessing officer; however, the commissioner of revenue or other assessing officer shall be authorized, in his discretion, and for good cause shown and without fault on the part of the volunteer, to accept a certification after the January 31 deadline. In any county that prorates the assessment of tangible personal property pursuant to § 58.1-3516, a replacement vehicle may be certified and classified pursuant to this subsection when the vehicle certified as of the immediately prior January date is transferred during the tax year;
16. Motor vehicles (i) owned by auxiliary members of a volunteer emergency medical services agency or volunteer fire department or (ii) leased by auxiliary members of a volunteer emergency medical services agency or volunteer fire department if the auxiliary member is obligated by the terms of the lease to pay tangible personal property tax on the motor vehicle. One motor vehicle that is regularly used by each auxiliary volunteer fire department or emergency medical services agency member may be specially classified under this section. The auxiliary member shall furnish the commissioner of revenue, or other assessing officer, with a certification by the chief of the volunteer emergency medical services agency or volunteer fire department, that the volunteer is an auxiliary member of the volunteer emergency medical services agency or fire department who regularly performs duties for the emergency medical services agency or fire department, and the motor vehicle is identified as regularly used for such purpose; however, if a volunteer meets the definition of "emergency medical services personnel" in § 32.1-111.1 or volunteer fire

department member and an auxiliary member are members of the same household, that household shall be allowed no more than two special classifications under this subdivision or subdivision 15. The certification shall be submitted by January 31 of each year to the commissioner of revenue or other assessing officer; however, the commissioner of revenue or other assessing officer shall be authorized, in his discretion, and for good cause shown and without fault on the part of the auxiliary member, to accept a certification after the January 31 deadline;

17. Motor vehicles owned by a nonprofit organization and used to deliver meals to homebound persons or provide transportation to senior or handicapped citizens in the community to carry out the purposes of the nonprofit organization;

18. Privately owned camping trailers as defined in § 46.2-100, and privately owned travel trailers as defined in § 46.2-1500, which are used for recreational purposes only, and privately owned trailers as defined in § 46.2-100, which are designed and used for the transportation of horses except those trailers described in subdivision A 11 of § 58.1-3505;

19. One motor vehicle owned and regularly used by a veteran who has either lost, or lost the use of, one or both legs, or an arm or a hand, or who is blind or who is permanently and totally disabled as certified by the Department of Veterans Services. In order to qualify, the veteran shall provide a written statement to the commissioner of revenue or other assessing officer from the Department of Veterans Services that the veteran has been so designated or classified by the Department of Veterans Services as to meet the requirements of this section, and that his disability is service-connected. For purposes of this section, a person is blind if he meets the provisions of § 46.2-100;

20. Motor vehicles (i) owned by persons who have been appointed to serve as auxiliary police officers pursuant to Article 3 (§ 15.2-1731 et seq.) of Chapter 17 of Title 15.2 or (ii) leased by persons who have been so appointed to serve as auxiliary police officers if the person is obligated by the terms of the lease to pay tangible personal property tax on the motor vehicle. One motor vehicle that is regularly used by each auxiliary police officer to respond to auxiliary police duties may be specially classified under this section. In order to qualify for such classification, any auxiliary police officer who applies for such classification shall identify the vehicle for which this classification is sought, and shall furnish the commissioner of revenue or other assessing officer with a certification from the governing body that has appointed such auxiliary police officer or from the official who has appointed such auxiliary officers. That certification shall state that the applicant is an auxiliary police officer who regularly uses a motor vehicle to respond to auxiliary police duties, and it shall state that the vehicle for which the classification is sought is the vehicle that is regularly used for that purpose. The certification shall be submitted by January 31 of each year to the commissioner of revenue or other assessing officer; however, the commissioner of revenue or other assessing officer shall be authorized, in his discretion, and for good cause shown and without fault on the part of the member, to accept a certification after the January 31 deadline;

21. Until the first to occur of June 30, 2019, or the date that a special improvements tax is no longer levied under § 15.2-4607 on property within a Multicounty Transportation Improvement District created pursuant to Chapter 46 (§ 15.2-4600 et seq.) of Title 15.2, tangible personal property that is used in manufacturing, testing, or operating satellites within a Multicounty Transportation Improvement District, provided that such business personal property is put into service within the District on or after July 1, 1999;

22. Motor vehicles which use clean special fuels as defined in § 46.2-749.3, which shall not include any vehicle described in subdivision 38 or 40;
23. Wild or exotic animals kept for public exhibition in an indoor or outdoor facility that is properly licensed by the federal government, the Commonwealth, or both, and that is properly zoned for such use. "Wild animals" means any animals that are found in the wild, or in a wild state, within the boundaries of the United States, its territories or possessions. "Exotic animals" means any animals that are found in the wild, or in a wild state, and are native to a foreign country;
24. Furniture, office, and maintenance equipment, exclusive of motor vehicles, that are owned and used by an organization whose real property is assessed in accordance with § 58.1-3284.1 and that is used by that organization for the purpose of maintaining or using the open or common space within a residential development;
25. Motor vehicles, trailers, and semitrailers with a gross vehicle weight of 10,000 pounds or more used to transport property for hire by a motor carrier engaged in interstate commerce;
26. All tangible personal property employed in a trade or business other than that described in subdivisions A 1 through A 19, except for subdivision A 17, of § 58.1-3503;
27. Programmable computer equipment and peripherals employed in a trade or business;
28. Privately owned pleasure boats and watercraft, motorized and under 18 feet, used for recreational purposes only;
29. Privately owned pleasure boats and watercraft, nonmotorized and under 18 feet, used for recreational purposes only;
30. Privately owned motor homes as defined in § 46.2-100 that are used for recreational purposes only;
31. Tangible personal property used in the provision of Internet services. For purposes of this subdivision, "Internet service" means a service, including an Internet Web-hosting service, that enables users to access content, information, electronic mail, and the Internet as part of a package of services sold to customers;
32. Motor vehicles (i) owned by persons who serve as auxiliary, reserve, volunteer, or special deputy sheriffs or (ii) leased by persons who serve as auxiliary, reserve, volunteer, or special deputy sheriffs if the person is obligated by the terms of the lease to pay tangible personal property tax on the motor vehicle. For purposes of this subdivision, the term "auxiliary deputy sheriff" means auxiliary, reserve, volunteer, or special deputy sheriff. One motor vehicle that is regularly used by each auxiliary deputy sheriff to respond to auxiliary deputy sheriff duties may be specially classified under this section. In order to qualify for such classification, any auxiliary deputy sheriff who applies for such classification shall identify the vehicle for which this classification is sought, and shall furnish the commissioner of revenue or other assessing officer with a certification from the governing body that has appointed such auxiliary deputy sheriff or from the official who has appointed such auxiliary deputy sheriff. That certification shall state that the applicant is an auxiliary deputy sheriff who regularly uses a motor vehicle to respond to such auxiliary duties, and it shall state that the vehicle for which the classification is sought is the vehicle that is regularly used for that purpose. The certification shall be submitted by January

31 of each year to the commissioner of revenue or other assessing officer; however, the commissioner of revenue or other assessing officer shall be authorized, in his discretion, and for good cause shown and without fault on the part of the member, to accept a certification after the January 31 deadline;

33. Forest harvesting and silvicultural activity equipment;

34. Equipment used primarily for research, development, production, or provision of biotechnology for the purpose of developing or providing products or processes for specific commercial or public purposes, including medical, pharmaceutical, nutritional, and other health-related purposes; agricultural purposes; or environmental purposes but not for human cloning purposes as defined in § 32.1-162.21 or for products or purposes related to human embryo stem cells. For purposes of this section, biotechnology equipment means equipment directly used in activities associated with the science of living things;

35. Boats or watercraft weighing less than five tons, used for business purposes only;

36. Boats or watercraft weighing five tons or more, used for business purposes only;

37. Tangible personal property which is owned and operated by a service provider who is not a CMRS provider and is not licensed by the FCC used to provide, for a fee, wireless broadband Internet service. For purposes of this subdivision, "wireless broadband Internet service" means a service that enables customers to access, through a wireless connection at an upload or download bit rate of more than one megabyte per second, Internet service, as defined in § 58.1-602, as part of a package of services sold to customers;

38. Low-speed vehicles as defined in § 46.2-100;

39. Motor vehicles with a seating capacity of not less than 30 persons, including the driver;

40. Motor vehicles powered solely by electricity;

41. Tangible personal property designed and used primarily for the purpose of manufacturing a product from renewable energy as defined in § 56-576;

42. Motor vehicles leased by a county, city, town, or constitutional officer if the locality or constitutional officer is obligated by the terms of the lease to pay tangible personal property tax on the motor vehicle;

43. Computer equipment and peripherals used in a data center. For purposes of this subdivision, "data center" means a facility whose primary services are the storage, management, and processing of digital data and is used to house (i) computer and network systems, including associated components such as servers, network equipment and appliances, telecommunications, and data storage systems; (ii) systems for monitoring and managing infrastructure performance; (iii) equipment used for the transformation, transmission, distribution, or management of at least one megawatt of capacity of electrical power and cooling, including substations, uninterruptible power supply systems, all electrical plant equipment, and associated air handlers; (iv) Internet-related equipment and services; (v) data communications connections; (vi) environmental controls; (vii) fire protection systems; and (viii) security systems and services;

44. Motor vehicles (i) owned by persons who serve as uniformed members of the Virginia Defense Force pursuant to Article 4.2 (§ 44-54.4 et seq.) of Chapter 1 of Title 44 or (ii) leased by persons

who serve as uniformed members of the Virginia Defense Force pursuant to Article 4.2 (§ 44-54.4 et seq.) of Chapter 1 of Title 44 if the person is obligated by the terms of the lease to pay tangible personal property tax on the motor vehicle. One motor vehicle that is regularly used by a uniformed member of the Virginia Defense Force to respond to his official duties may be specially classified under this section. In order to qualify for such classification, any person who applies for such classification shall identify the vehicle for which the classification is sought and shall furnish to the commissioner of the revenue or other assessing officer a certification from the Adjutant General of the Department of Military Affairs under § 44-11. That certification shall state that (a) the applicant is a uniformed member of the Virginia Defense Force who regularly uses a motor vehicle to respond to his official duties, and (b) the vehicle for which the classification is sought is the vehicle that is regularly used for that purpose. The certification shall be submitted by January 31 of each year to the commissioner of the revenue or other assessing officer; however, the commissioner of revenue or other assessing officer shall be authorized, in his discretion, and for good cause shown and without fault on the part of the member, to accept a certification after the January 31 deadline;

45. If a locality has adopted an ordinance pursuant to subsection D of § 58.1-3703, tangible personal property of a business that qualifies under such ordinance for the first two tax years in which the business is subject to tax upon its personal property pursuant to this chapter. If a locality has not adopted such ordinance, this classification shall apply to the tangible personal property for such first two tax years of a business that otherwise meets the requirements of subsection D of § 58.1-3703;and

46. Miscellaneous and incidental tangible personal property employed in a trade or business that is not classified as machinery and tools pursuant to Article 2 (§ 58.1-3507 et seq.), merchants' capital pursuant to Article 3 (§ 58.1-3509 et seq.), or short-term rental property pursuant to Article 3.1 (§ 58.1-3510.4 et seq.), and has an original cost of less than \$250. A county, city, or town may allow a taxpayer to provide an aggregate estimate of the total cost of all such property owned by the taxpayer that qualifies under this subdivision, in lieu of a specific, itemized list.

B. The governing body of any county, city or town may levy a tax on the property enumerated in subsection A at different rates from the tax levied on other tangible personal property. The rates of tax and the rates of assessment shall (i) for purposes of subdivisions A 1, 2, 3, 4, 5, 6, 8, 11 through 20, 22 through 24, and 26 through 46, not exceed that applicable to the general class of tangible personal property, (ii) for purposes of subdivisions A 7, 9, 21, and 25, not exceed that applicable to machinery and tools, and (iii) for purposes of subdivision A 10, equal that applicable to real property. If an item of personal property is included in multiple classifications under subsection A, then the rate of tax shall be the lowest rate assigned to such classifications.

C. Notwithstanding any other provision of this section, for any qualifying vehicle, as such term is defined in § 58.1-3523, (i) included in any separate class of property in subsection A and (ii) assessed for tangible personal property taxes by a county, city, or town receiving a payment from the Commonwealth under Chapter 35.1 (§ 58.1-3523 et seq.) for providing tangible personal property tax relief, the county, city, or town may levy the tangible personal property tax on such qualifying vehicle at a rate not to exceed the rates of tax and rates of assessment required under such chapter.

Code 1950, §§ 58-829.2:1, 58-829.3, 58-829.5 to 58-829.9, 58-831.01; 1960, c. 418; 1970, c. 655; 1976, c. 567; 1978, c. 155; 1979, cc. 351, 576; 1980, c. 412; 1981, cc. 236, 445; 1982, c. 633; 1984, c. 675; 1985, c. 220; 1986, c. 195; 1988, c. 822; 1989, cc. 80, 694; 1990, cc. 677, 693; 1991, cc. 247,

330, 478; 1992, cc. 642, 680; 1993, c. 100; 1994, cc. 171, 221, 266, 631; 1995, c. 142; 1996, cc. 537, 603, 605; 1997, cc. 244, 250, 433, 457; 1999, cc. 289, 358; 2000, cc. 409, 413, 441, 442, 604; 2001, cc. 41, 447; 2002, cc. 6, 63, 148, 337; 2003, cc. 657, 670; 2004, cc. 4, 556, 591; 2004, Sp. Sess. I, c. 1; 2005, cc. 271, 325, 357; 2006, cc. 200, 231, 400; 2007, cc. 88, 322, 609; 2008, cc. 26, 94, 143; 2009, cc. 40, 44; 2010, cc. 264, 849; 2012, cc. 97, 288; 2013, cc. 39, 271, 287, 393, 652; 2014, cc. 50, 409; 2015, cc. 487, 502, 503, 593, 615; 2016, c. 483.

Comparison of Net Effective Personal Property Rates for Tax Year 2016

	LOUDOUN COUNTY		ALEXANDRIA, CITY OF		ARLINGTON COUNTY		FAIRFAX, CITY OF		FAIRFAX COUNTY		FALLS CHURCH, CITY OF		FAUQUIER COUNTY		PRINCE WILLIAM COUNTY		HENRICO COUNTY	
VEHICLE PERSONAL PROPERTY	\$4.20		\$4.75		\$5.00		\$4.13		\$4.57		\$5.00		\$4.65		\$3.70		\$3.50	
	Assessment Value Used	Net Effective Rate																
<i>EXAMPLE: 2012 Honda Civic 4D EX</i>	Loan \$9,575	\$ 4.11	Trade-In \$9,775	\$ 4.75	Loan \$9,575	\$ 4.90	Trade-In \$9,775	\$ 4.13	Trade-In \$9,775	\$ 4.57	Trade-In \$9,775	\$ 5.00	Loan \$9,575	\$ 4.55	Trade-In \$9,775	\$ 3.70	Loan \$9,575	\$ 3.43
BUSINESS TANGIBLE PROPERTY	Assessment Ratio	Net Effective Rate																
Furniture & Fixtures	\$4.20		\$4.75		\$5.00		\$4.13		\$4.57		\$5.00		\$2.30		\$3.70		\$3.50	
Purchase Year																		
Acquired January 1, 2016	N/A	N/A																
2015	50%	2.10	80%	3.80	80%	4.00	70%	2.89	80%	3.66	80%	4.00	70%	1.61	85%	3.15	80%	2.80
2014	40%	1.68	70%	3.33	70%	3.50	60%	2.48	70%	3.20	70%	3.50	60%	1.38	75%	2.78	73%	2.56
2013	30%	1.26	60%	2.85	60%	3.00	50%	2.07	60%	2.74	60%	3.00	50%	1.15	65%	2.41	63%	2.21
2012	20%	0.84	50%	2.38	50%	2.50	40%	1.65	50%	2.29	50%	2.50	40%	0.92	55%	2.04	54%	1.89
2011	10%	0.42	40%	1.90	40%	2.00	30%	1.24	40%	1.83	40%	2.00	30%	0.69	45%	1.67	46%	1.61
2010	10%	0.42	30%	1.43	30%	1.50	20%	0.83	30%	1.37	30%	1.50	20%	0.46	35%	1.30	39%	1.37
2009	10%	0.42	20%	0.95	20%	1.00	10%	0.41	20%	0.91	20%	1.00	10%	0.23	25%	0.93	33%	1.16
2008	10%	0.42	20%	0.95	20%	1.00	10%	0.41	20%	0.91	20%	1.00	10%	0.23	15%	0.56	28%	0.98
2007	10%	0.42	20%	0.95	20%	1.00	10%	0.41	20%	0.91	20%	1.00	10%	0.23	10%	0.37	23%	0.81
2006 & Prior	10%	0.42	20%	0.95	20%	1.00	10%	0.41	20%	0.91	20%	1.00	10%	0.23	10%	0.37	12%	0.42
Computer Equipment	\$4.20		\$4.75		\$5.00		\$4.13		\$4.57		\$5.00		\$2.30		\$1.25		\$3.50	
Purchase Year																		
Acquired January 1, 2016	N/A	N/A																
2015	50%	2.10	65%	3.09	65%	3.25	65%	2.68	50%	2.29	70%	3.50	60%	1.38	50%	0.63	66%	2.31
2014	40%	1.68	45%	2.14	45%	2.25	45%	1.86	35%	1.60	50%	2.50	40%	0.92	35%	0.44	43%	1.51
2013	30%	1.26	30%	1.43	30%	1.50	30%	1.24	20%	0.91	35%	1.75	20%	0.46	20%	0.25	27%	0.95
2012	20%	0.84	20%	0.95	10%	0.50	10%	0.41	10%	0.46	10%	0.50	10%	0.23	10%	0.13	16%	0.56
2011	10%	0.42	5%	0.24	10%	0.50	2%	0.08	2%	0.09	10%	0.50	10%	0.23	5%	0.06	10%	0.35
2010	10%	0.42	5%	0.24	10%	0.50	2%	0.08	2%	0.09	5%	0.25	10%	0.23	5%	0.06	4%	0.14
2009 & Prior	10%	0.42	5%	0.24	10%	0.5	2%	0.08	2%	0.09	5%	0.25	10%	0.23	5%	0.06	4%	0.14
Heavy Equipment	\$4.00		4.75		\$5.00		\$4.13		\$4.57		\$5.00		\$2.30		\$3.70		\$3.50	
Purchase Year																		
Acquired January 1, 2016	N/A	N/A	N/A	N/A	N/A	N/A	80%	3.30	N/A	N/A								
2015	50%	2.00	80%	3.80	80%	4.00	70%	2.89	80%	3.66	80%	4.00	70%	1.61	80%	2.96	80%	2.80
2014	40%	1.60	70%	3.33	70%	3.50	60%	2.48	70%	3.20	70%	3.50	60%	1.38	65%	2.41	73%	2.56
2013	30%	1.20	60%	2.85	60%	3.00	50%	2.07	60%	2.74	60%	3.00	50%	1.15	50%	1.85	63%	2.21
2012	20%	0.80	50%	2.38	50%	2.50	40%	1.65	50%	2.29	50%	2.50	40%	0.92	35%	1.30	54%	1.89
2011	10%	0.40	40%	1.90	40%	2.00	30%	1.24	40%	1.83	40%	2.00	30%	0.69	20%	0.74	46%	1.61
2010	10%	0.40	30%	1.43	30%	1.50	20%	0.83	30%	1.37	30%	1.50	20%	0.46	10%	0.37	39%	1.37
2009	10%	0.40	20%	0.95	20%	1.00	10%	0.41	20%	0.91	20%	1.00	10%	0.23	10%	0.37	33%	1.16
2008	10%	0.40	20%	0.95	20%	1.00	10%	0.41	20%	0.91	20%	1.00	10%	0.23	10%	0.37	28%	0.98
2007	10%	0.40	20%	0.95	20%	1.00	10%	0.41	20%	0.91	20%	1.00	10%	0.23	10%	0.37	23%	0.81
2006 & Prior	10%	0.40	20%	0.95	20%	1.00	10%	0.41	20%	0.91	20%	1.00	10%	0.23	10%	0.37	12%	0.42
Manufacturing Machinery & Tools	\$2.75		\$4.50		\$5.00		\$4.13		\$4.57		\$5.00		\$2.30		\$2.00		\$0.30	
Purchase Year																		
Acquired January 1, 2016	N/A	N/A																
2015	50%	1.38	80%	3.60	80%	4.00	70%	2.89	80%	3.66	80%	4.00	70%	1.61	75%	1.50	80%	0.24
2014	40%	1.10	70%	3.15	70%	3.50	60%	2.48	70%	3.20	70%	3.50	60%	1.38	65%	1.30	73%	0.22
2013	30%	0.83	60%	2.70	60%	3.00	50%	2.07	60%	2.74	60%	3.00	50%	1.15	55%	1.10	63%	0.19
2012	20%	0.55	50%	2.25	50%	2.50	40%	1.65	50%	2.29	50%	2.50	40%	0.92	45%	0.90	54%	0.16
2011	10%	0.28	40%	1.80	40%	2.00	30%	1.24	40%	1.83	40%	2.00	30%	0.69	35%	0.70	46%	0.14
2010	10%	0.28	30%	1.35	30%	1.50	20%	0.83	30%	1.37	30%	1.50	20%	0.46	25%	0.50	39%	0.12
2009	10%	0.28	20%	0.90	30%	1.50	10%	0.41	20%	0.91	20%	1.00	10%	0.23	15%	0.30	33%	0.10
2008	10%	0.28	20%	0.90	30%	1.50	10%	0.41	20%	0.91	20%	1.00	10%	0.23	10%	0.20	28%	0.08
2007	10%	0.28	20%	0.90	30%	1.50	10%	0.41	20%	0.91	20%	1.00	10%	0.23	10%	0.20	23%	0.07
2006 & Prior	10%	0.28	20%	0.90	30%	1.50	10%	0.41	20%	0.91	20%	1.00	10%	0.23	10%	0.20	12%	0.04

Comparison of Net Effective Personal Property Rates for Tax Year 2016

	LOUDOUN COUNTY		ALEXANDRIA, CITY OF		ARLINGTON COUNTY		FAIRFAX, CITY OF		FAIRFAX COUNTY		FALLS CHURCH, CITY OF		FAUQUIER COUNTY		PRINCE WILLIAM COUNTY		HENRICO COUNTY	
	Assessment Ratio	Net Effective Rate	Assessment Ratio	Net Effective Rate	Assessment Ratio	Net Effective Rate	Assessment Ratio	Net Effective Rate	Assessment Ratio	Net Effective Rate	Assessment Ratio	Net Effective Rate	Assessment Ratio	Net Effective Rate	Assessment Ratio	Net Effective Rate	Assessment Ratio	Net Effective Rate
Satellite Imaging/	\$0.01		\$4.75		\$5.00		\$4.13		\$4.57		\$5.00		\$4.65		\$3.70		\$3.50	
Manufacturing Equipment																		
Purchase Year																		
Acquired January 1, 2016	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2015	50%	0.01	80%	3.80	80%	4.00	70%	2.89	80%	3.66	80%	4.00	70%	3.26	85%	3.15	66%	2.31
2014	40%	0.00	70%	3.33	70%	3.50	60%	2.48	70%	3.20	70%	3.50	60%	2.79	75%	2.78	43%	1.51
2013	30%	0.00	60%	2.85	60%	3.00	50%	2.07	60%	2.74	60%	3.00	50%	2.33	65%	2.41	27%	0.95
2012	20%	0.00	50%	2.38	50%	2.50	40%	1.65	50%	2.29	50%	2.50	40%	1.86	55%	2.04	16%	0.56
2011	10%	0.00	40%	1.90	40%	2.00	30%	1.24	40%	1.83	40%	2.00	30%	1.40	45%	1.67	10%	0.35
2010	10%	0.00	30%	1.43	30%	1.50	20%	0.83	30%	1.37	30%	1.50	20%	0.93	35%	1.30	4%	0.14
2009	10%	0.00	20%	0.95	30%	1.50	10%	0.41	20%	0.91	20%	1.00	10%	0.47	25%	0.93	4%	0.14
2008	10%	0.00	20%	0.95	30%	1.50	10%	0.41	20%	0.91	20%	1.00	10%	0.47	15%	0.56	4%	0.14
2007 and prior	10%	0.00	20%	0.95	30%	1.50	10%	0.41	20%	0.91	20%	1.00	10%	0.47	10%	0.37	4%	0.14
Research & Development	\$2.75		\$4.75		\$5.00		\$4.13		\$4.57		\$5.00		\$2.30		\$1.00		\$3.50	
Purchase Year																		
Acquired January 1, 2016	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2015	50%	1.38	80%	3.80	80%	4.00	70%	2.89	80%	3.66	80%	4.00	70%	1.61	85%	0.85	80%	2.80
2014	40%	1.10	70%	3.33	70%	3.50	60%	2.48	70%	3.20	70%	3.50	60%	1.38	75%	0.75	73%	2.56
2013	30%	0.83	60%	2.85	60%	3.00	50%	2.07	60%	2.74	60%	3.00	50%	1.15	65%	0.65	63%	2.21
2012	20%	0.55	50%	2.38	50%	2.50	40%	1.65	50%	2.29	50%	2.50	40%	0.92	55%	0.55	54%	1.89
2011	10%	0.28	40%	1.90	40%	2.00	30%	1.24	40%	1.83	40%	2.00	30%	0.69	45%	0.45	46%	1.61
2010	10%	0.28	30%	1.43	30%	1.50	20%	0.83	30%	1.37	30%	1.50	20%	0.46	35%	0.35	39%	1.37
2009	10%	0.28	20%	0.95	30%	1.50	10%	0.41	20%	0.91	20%	1.00	10%	0.23	25%	0.25	33%	1.16
2008	10%	0.28	20%	0.95	30%	1.50	10%	0.41	20%	0.91	20%	1.00	10%	0.23	15%	0.15	28%	0.98
2007	10%	0.28	20%	0.95	30%	1.50	10%	0.41	20%	0.91	20%	1.00	10%	0.23	15%	0.15	23%	0.81
2006 & Prior	10%	0.28	20%	0.95	30%	1.50	10%	0.41	20%	0.91	20%	1.00	10%	0.23	15%	0.15	12%	0.42
Personal Property Owned/Used by Homeowners Associations	\$0.01		\$4.75		\$5.00		\$4.13		\$0.01		\$5.00		\$4.65		\$3.70		\$3.50	
Purchase Year																		
Acquired January 1, 2016	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2015	50%	0.01	80%	3.80	80%	4.00	70%	2.89	80%	0.01	80%	4.00	70%	3.26	85%	3.15	80%	2.80
2014	40%	0.00	70%	3.33	70%	3.50	60%	2.48	70%	0.01	70%	3.50	60%	2.79	75%	2.78	73%	2.56
2013	30%	0.00	60%	2.85	60%	3.00	50%	2.07	60%	0.01	60%	3.00	50%	2.33	65%	2.41	63%	2.21
2012	20%	0.00	50%	2.38	50%	2.50	40%	1.65	50%	0.01	50%	2.50	40%	1.86	55%	2.04	54%	1.89
2011	10%	0.00	40%	1.90	40%	2.00	30%	1.24	40%	0.00	40%	2.00	30%	1.40	45%	1.67	46%	1.61
2010	10%	0.00	30%	1.43	30%	1.50	20%	0.83	30%	0.00	30%	1.50	20%	0.93	35%	1.30	39%	1.37
2009	10%	0.00	20%	0.95	30%	1.50	10%	0.41	20%	0.00	20%	1.00	10%	0.47	25%	0.93	33%	1.16
2008	10%	0.00	20%	0.95	30%	1.50	10%	0.41	20%	0.00	20%	1.00	10%	0.47	15%	0.56	28%	0.98
2007	10%	0.00	20%	0.95	30%	1.50	10%	0.41	20%	0.00	20%	1.00	10%	0.47	10%	0.37	23%	0.81
2006 & Prior	10%	0.00	20%	0.95	30%	1.50	10%	0.41	20%	0.00	20%	1.00	10%	0.47	10%	0.37	12%	0.42
Wild or Exotic Animals	\$0.01		\$4.75		\$5.00		\$4.13		NOT TAXED		\$5.00		\$4.65		\$3.70		\$3.50	
Purchase Year																		
Acquired January 1, 2016	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2015	50%	0.01	80%	3.80	80%	4.00	70%	2.89	N/A	N/A	80%	4.00	70%	3.26	85%	3.15	80%	2.80
2014	40%	0.00	70%	3.33	70%	3.50	60%	2.48	N/A	N/A	70%	3.50	60%	2.79	75%	2.78	73%	2.56
2013	30%	0.00	60%	2.85	60%	3.00	50%	2.07	N/A	N/A	60%	3.00	50%	2.33	65%	2.41	63%	2.21
2012	20%	0.00	50%	2.38	50%	2.50	40%	1.65	N/A	N/A	50%	2.50	40%	1.86	55%	2.04	54%	1.89
2011	10%	0.00	40%	1.90	40%	2.00	30%	1.24	N/A	N/A	40%	2.00	30%	1.40	45%	1.67	46%	1.61
2010	10%	0.00	30%	1.43	30%	1.50	20%	0.83	N/A	N/A	30%	1.50	20%	0.93	35%	1.30	39%	1.37
2009	10%	0.00	20%	0.95	30%	1.50	10%	0.41	N/A	N/A	20%	1.00	10%	0.47	25%	0.93	33%	1.16
2008	10%	0.00	20%	0.95	30%	1.50	10%	0.41	N/A	N/A	20%	1.00	10%	0.47	15%	0.56	28%	0.98
2007	10%	0.00	20%	0.95	30%	1.50	10%	0.41	N/A	N/A	20%	1.00	10%	0.47	15%	0.56	23%	0.81
2006 & Prior	10%	0.00	20%	0.95	30%	1.50	10%	0.41	N/A	N/A	20%	1.00	10%	0.47	15%	0.56	12%	0.42