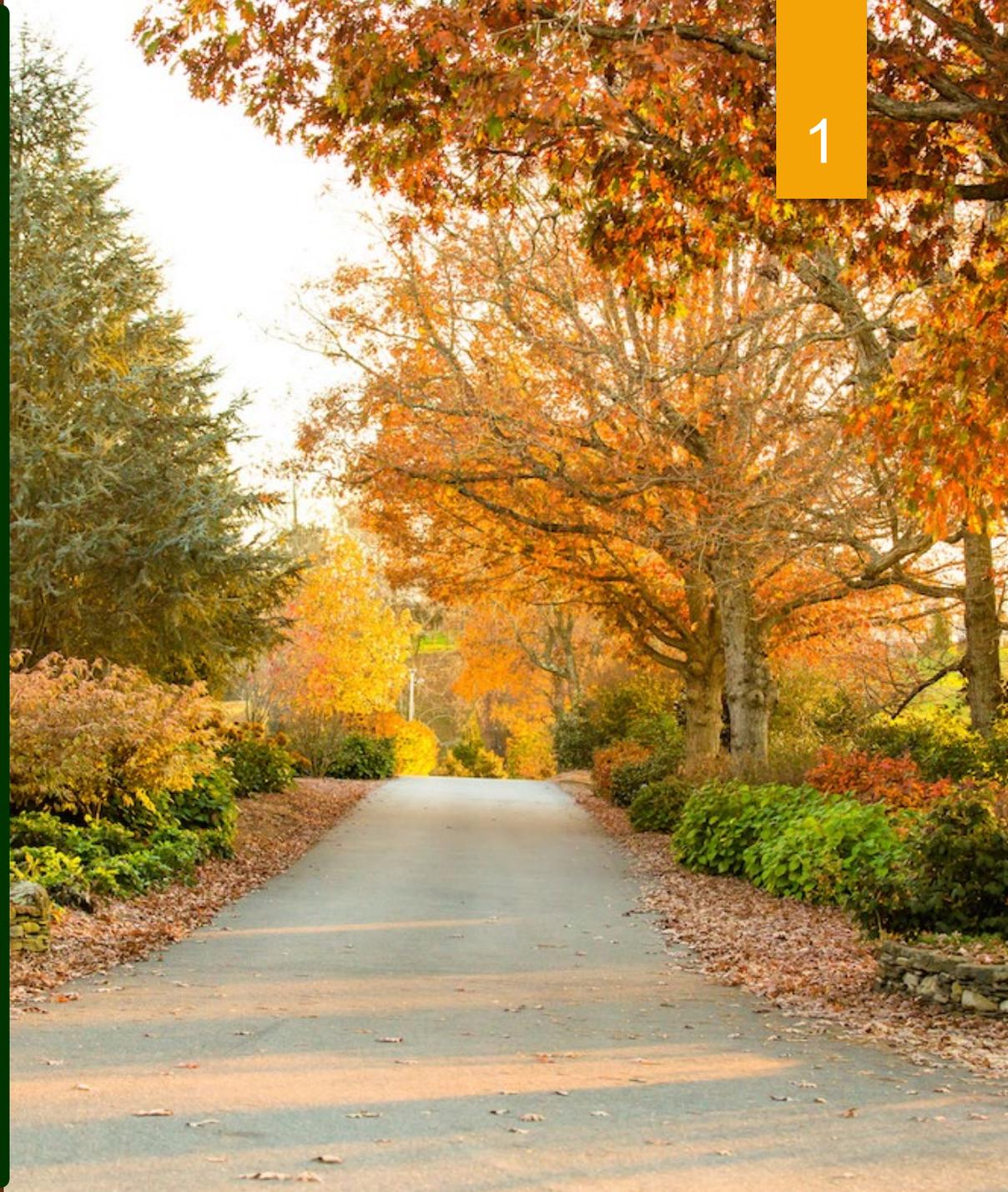


# Public Hearing for Proposed 2020 Tax Rates

ORANGE COUNTY, VA.

APRIL 21, 2020



# 2020 General Reassessment

## Code Requirements for Setting Tax Rate

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- ▶ When an effective tax rate increase is anticipated as the result of a property reassessment, Code of Va. § 58.1-3321 requires a public hearing which must be advertised at least 30 days prior to the hearing and which cannot be held at the same time as the annual budget public hearing.
- ▶ Equalized (lowered) tax rate must be calculated and stated which will generate no more than 101% of previous year's revenue (excludes new construction).
- ▶ If an increase from the equalized tax rate is expected in order to fund the upcoming budget, the maximum "effective tax rate increase" must be stated.
- ▶ Equalized tax rate, effective tax rate increase, and proposed maximum budget increase must be included in the advertisement.

# 2020 General Reassessment Equalized Rate Proposed

- ▶ Orange County advertised on March 19, 2020 and March 26, 2020 the results of its general reassessment in accordance with the requirements of § 58.1-3321 and included a proposed tax rate not to exceed eight (8) cents above the equalized rate of seventy-two (72) cents per \$100 of assessed value.
- ▶ As budget development continued and states of emergency were issued by the County and the Commonwealth related to COVID-19, the Orange County Budget Committee made the decision to recommend lowering the proposed rate to the equalized rate for 2020.
- ▶ The new proposed real estate tax rate (61 cents) and the county-wide Fire & EMS District Levy (11 cents) combined total the previously advertised equalized rate of 72 cents. This results in no effective tax rate increase.

# Old Vs. New Assessed Values

Tax Year	Land	Improvements	Public Service Companies	Mobile Homes	Exemptions/ Reductions/ Deferrals	Net Taxable Values
2019	\$ 1,817,522,945	\$ 2,921,440,487	\$ 174,796,670	\$ 4,925,165	\$ (877,748,600)	\$ 4,040,936,667
2020	\$ 1,856,177,800	\$ 3,584,844,800	\$ 174,796,670	\$ 4,925,165	\$ (982,403,010)	\$ 4,638,341,425
% Change	2.13%	22.71%	0.00%	0.00%	11.92%	14.78%

- ▶ Total real estate values including improvements increased by 14.78%.
- ▶ Of the increase, \$59,354,900 is new construction and therefore excluded from the equalized tax rate calculation.

# Calculation of Equalized Rate

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2019 RE Tax Levy Plus One Percent (Maximum allowed revenue for equalized rate)	\$32,783,722
Net 2020 Taxable RE Value	\$4,638,341,425
Less 2020 New Construction Value	(\$ 59,354,900)
Adj. 2020 Value for Equalized Rate Calc.	\$4,578,986,525
Divide Maximum Allowed Revenue by Adj. 2020 Value for Equalized Rate Cal.	.0072
Equalized Tax Rate per \$100 in Value	72 Cents

# No Effective Property Tax Increases Proposed

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<b>Property Class</b>	<b>Tax Yr. 2019 Rate/\$100</b>	<b>Tax Yr. 2020 Rate/\$100</b>
Real Estate	\$0.804	\$0.61
Fire and EMS District Levy	\$0.00	\$0.11
Mobile Homes	\$0.804	\$0.61
Personal Property-Regular	\$3.75	\$3.75
Business Personal Property	\$2.20	\$2.20
Computer Equipment & Peripherals	\$2.20	\$2.20
Aircraft	\$0.00	\$0.00
Boats	\$2.09	\$2.09
Privately Owned Motor Homes	\$2.62	\$2.62
Other Recreational Vehicles	\$2.62	\$2.62
Farm Machinery	\$0.00	\$0.00
Machinery & Tools	\$1.831	\$1.831
Heavy Equipment	\$2.20	\$2.20
Forest Harvesting Equipment	\$0.00	\$0.00
Merchants Capital	\$0.40	\$0.40

# Public Hearing

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▶ Questions from the Board?

▶ Comments from the public

(by mail to Attn: Alyson Simpson, P. O. Box 111, Orange, Virginia 22960 or by email to [asimpson@orangecountyva.gov](mailto:asimpson@orangecountyva.gov).)

**Must be received by 5:00 p.m. on Monday, April 27, 2020, as the Board intends to review public comment and take action on Tuesday, April 28, 2020)**