

INTRODUCED: September 9, 2024

AN ORDINANCE No. 2024-223

To amend and reordain City Code § 26-355, concerning the levy of tax on real estate, to establish a tax rate of \$1.20 for the tax year beginning Jan. 1, 2025, pursuant to Va. Code § 58.1-3321(b), and increasing such rate from the Rolled Back Tax Rate of \$1.136 as computed in accordance with Va. Code § 58.1-3321(a).

\_\_\_\_\_  
Patron – President Nye

\_\_\_\_\_  
Approved as to form and legality  
by the City Attorney  
\_\_\_\_\_

PUBLIC HEARING: SEP 23 2024 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That section 26-355 of the Code of the City of Richmond (2020) be and hereby is **amended** and reordained as follows:

**Sec. 26-355. Levy.**

There shall be levied and collected for each year on all real estate located in the City not exempt from taxation a tax of \$1.20 for the tax year beginning January 1, [~~2024~~] 2025, and for each year thereafter, until otherwise provided by law or ordinance, for each \$100.00 of assessed evaluation thereof for general purposes.

AYES: \_\_\_\_\_ NOES: \_\_\_\_\_ ABSTAIN: \_\_\_\_\_

ADOPTED: \_\_\_\_\_ REJECTED: \_\_\_\_\_ STRICKEN: \_\_\_\_\_

§ 2. That the aforesaid tax rate of \$1.20 is established pursuant to section 58.1-3321(b) of the Code of Virginia (1950), as amended, and represents an increase of \$0.064 from the Rolled Back Tax Rate of \$1.136 computed in accordance with section 58.1-3321(a) of the Code of Virginia (1950), as amended.

§ 3. That the aforesaid tax rate of \$1.20 shall be applied in lieu of the Rolled Back Tax Rate of \$1.136.

§ 4. This ordinance shall be in force and effect as of January 1, 2025.

APPROVED AS TO FORM:



CITY ATTORNEY'S OFFICE



# Richmond City Council

The Voice of the People

Richmond, Virginia

RECEIVED  
By City Attorney at 7:50 am, Aug 23, 2024

## Office of the Council Chief of Staff

### Council Ordinance/Resolution Request

**TO** Laura Drewry, Richmond City Attorney

**THROUGH** LaTasha S. Holmes, Council Chief of Staff

**FROM** Joyce L. Davis, Council Policy Analyst  
Office of the Council Chief of Staff

**COPY** Kristen Nye, Council President  
Tabrica Rentz, Deputy City Attorney  
Timmy Siverd, 4th District Liaison  
Richie McKeithen, City Assessor

**DATE** August 22, 2024

**PAGE/s** 1 of 2

**TITLE:** To Set the Tax Rate at \$1.20 Per \$100 of Assessed Value

This is a request for the drafting of an **Ordinance**  **Resolution**

**REQUESTING COUNCILMEMBER/PATRON**

**SUGGESTED STANDING COMMITTEE**

President Kristen Nye

Finance and Economic  
Development Standing Committee

#### ORDINANCE/RESOLUTION SUMMARY

Ordinance to amend City Code Section 26.355 to maintain the tax rate at \$1.20 per \$100 of Assessed Value, which is an increase from the "Rolled Back Tax Rate" of \$1.136.

#### BACKGROUND

This O&R is requested regarding the real estate tax rollback requirement and the resetting of the tax rate.  
The City Assessor provided City Council with a memo on the upcoming 2024

land book value for Tax Year 2025. With that notice it was indicated that the aggregate taxable base, is projected to increase by 6.68% to approximately \$41.3 billion.

Section 58.1-3221 of the Code of Virginia, provides that when any annual assessment or general reassessment of real property would result in an increase of 1 percent or more in the total real property tax levied, such county, city or town shall reduce its rate of levy for the forthcoming tax year, so as to cause such rate of levy to produce no more than 101 percent of the previous year's real property tax levies. Each \$.01 of the tax rate generates approximately \$3.5 million dollars in total revenue.

Adoption of a tax rate that differs from the "Roll Back" rate requires a public hearing and notice in accordance with Section 58.1-3221 of the Code of Virginia. The patron is requesting this tax rate option for Council to consider in anticipation of adopting a new Richmond Government Budget (Fiscal Plan) for the upcoming fiscal year.

The requested introduction date is September 9, 2024.

### FISCAL IMPACT STATEMENT

Fiscal Impact	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Budget Amendment Required	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Estimated Cost or Revenue Impact		\$

**Attachment/s**    Yes     No



# Richmond City Council

The Voice of the People

Richmond, Virginia

## Office of the Assessor of Real Estate

**TO: Members of City Council**  
**FROM: Richie McKeithen, City Assessor**  
**DATE: August 6, 2024**  
**REFERENCE: Required Public Hearing on 2025 Proposed Roll Back Tax Rate**

The City Attorney's Office has indicated that the language of VA Code Section 58.1-3321, regarding real estate tax rollback requirements and the resetting of the tax rate, requires an O&R to be introduced at either the **September 9, 2024, September 23, 2024, or October 15, 2024** City Council Meeting in order to maintain the current tax rate or to adopt a tax rate that is higher than the "rollback" tax rate. The City Attorney's Office recommends that the real estate tax rate ordinance be introduced at the **September 9, 2024** meeting to allow sufficient time for deliberation prior to adoption by no later than **November 4, 2024**.

The growth in land book value for Tax Year 2025, over the Tax Year 2024 land book, was 6.68%. Below are actual numbers used to measure the % change as required by the "Rollback" Statue, the estimated land book number used during FY 2025 budget process, and the estimated total 2025 land book value after new construction assessments are supplemented at the end of this calendar year.

Tax Year	Tax Base	Tax Rate	Projected Revenue	% Chg
2024*	\$38,702,087,000	\$1.20/\$100	\$464,425,044	
2025*	\$41,288,690,000	\$1.20/\$100	\$495,464,280	6.68%
Other relative numbers:				
2024**	\$40,250,170,480,	\$1.20/\$100	\$483,002,046	
2024***	\$41,495,133,450	\$1.20/\$100	\$497,941,601	

If a public hearing is not held, state law requires the tax rate to "rollback" to \$1.136, which is the tax rate that produces no more than 1% revenue growth over the same calculation in 2023.

\* Represents actual numbers

\*\* Numbers provided by the Assessor in the creation of the FY 2025 budget process

\*\*\* Final estimated 2025 land book totals and revenue after new construction assessments are supplemented