

INTRODUCED: September 25, 2023

AN ORDINANCE No. 2023-289

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, 2024, pursuant to Va. Code § 58.1-3321(b), and increasing such rate from the Rolled Back Tax Rate of \$1.125 as computed in accordance with Va. Code § 58.1-3321(a).

\_\_\_\_\_  
Patron – President Jones

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

PUBLIC HEARING: NOV 13 2023 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, [~~2023~~] 2024, and for each year thereafter, until otherwise provided by law or ordinance, for each \$100.00 of assessed evaluation thereof for general purposes.

AYES: 7 NOES: 0 ABSTAIN: \_\_\_\_\_

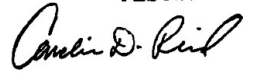
ADOPTED: NOV 13 2023 REJECTED: \_\_\_\_\_ STRICKEN: \_\_\_\_\_

§ 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 \$0.075 from the Rolled Back Tax Rate of \$1.125 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 \$1.125.

§ 4. This ordinance shall be in force and effect as of January 1, 2024.

A TRUE COPY:  
TESTE:



City Clerk



# Richmond City Council

The Voice of the People

Richmond, Virginia

## 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** Michael Jones, Council President  
Tabrica Rentz, Deputy City Attorney  
Ken Wright, 9<sup>th</sup> District Liaison  
Richie McKeithen, City Assessor

**DATE** September 19, 2023

**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 Michael Jones

Finance and Economic Development  
Standing Committee

#### ORDINANCE/RESOLUTION SUMMARY

Ordinance to amend City Code Section 98-121 to maintain the tax rate at \$1.20 per \$100 of Assessed Value, which is an increase from the "Rolled Back Tax Rate" of \$1.072.

#### 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 report on the upcoming 2024 land book value for Tax Year 2024. With that notice it was indicated that the aggregate taxable base, is projected to increase by 7.70% to approximately \$38.7 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 25, 2023.

**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: September 8, 2023**  
**REFERENCE: Required Public Hearing on 2024 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 11, 2023, September 25, 2023, or October 10, 2023** City Council Meeting. The City Attorney's Office recommends that the real estate tax rate ordinance be introduced at the **September 11, 2023** meeting to allow sufficient time for deliberation prior to adoption by no later than **November 6, 2023**.

The growth in land book value for Tax Year 2024, over the Tax Year 2023 land book, was 7.70%. Below are actual numbers used to measure the % change as required by the "Rollback" Statue, the estimated land book number used during FY 2024 budget process, and the estimated total 2024 land book value after new construction assessments are supplemented at the end of this calendar year.

<u>Tax Year</u>	<u>Tax Base</u>	<u>Tax Rate</u>	<u>Projected Revenue</u>	<u>% Chg</u>
2023*	\$35,933,695,000	\$1.20/\$100	\$431,204,340	
2024*	\$38,702,087,000	\$1.20/\$100	\$464,425,044	7.70%
Other relative numbers:				
2023**	\$38,449,053,650	\$1.20/\$100	\$461,388,644	
2023***	\$38,877,087,000	\$1.20/\$100	\$466,525,044	

If a public hearing is not held, state law requires the tax rate to "rollback" to \$1.125, which is the tax rate that produces no more than 1% revenue growth over the same calculation in 2022.

\* Represents actual numbers

\*\* Numbers provided by the Assessor in the creation of the FY 2024 budget process

\*\*\* Final estimated 2024 land book totals and revenue after new construction assessments are supplemented



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