

INTRODUCED: June 14, 2021

AN ORDINANCE No. 2021-157

To amend and reordain City Code § 26-460, concerning the levy on machinery and tools used in business and certain motor carrier transportation property, for the purpose of reflecting amendments to Va. Code § 58.1-3506.

\_\_\_\_\_  
Patron – Mayor Stoney

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

PUBLIC HEARING: JUN 28 2021 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That section 26-460 of the Code of the City of Richmond (2020) be and is hereby **amended** and reordained as follows:

**Sec. 26-460. Levy on machinery and tools used in business and certain motor carrier transportation property.**

(a) There shall be levied and collected for each year on all machinery and tools, as defined in Section 26-1, and motor vehicles owned or used by a motor carrier, as defined in Code of Virginia, § 46.2-2000, and motor carrier transportation property as defined in 49 USC 11503a(a)(3), exclusive of rolling stock of a certificated motor vehicle carrier subject to taxation

AYES:                    9                    NOES:                    0                    ABSTAIN: \_\_\_\_\_  
\_\_\_\_\_

ADOPTED:   JUN 28 2021   REJECTED: \_\_\_\_\_ STRICKEN: \_\_\_\_\_

pursuant to Code of Virginia, § 58.1-2652 et seq., trailers and semitrailers with a gross vehicle weight (rating) of 10,000 pounds or more used to transport property or passengers for hire by a motor carrier engaged in interstate commerce, a tax of \$2.30 on each \$100.00 of assessed valuation thereof for general purposes.

(b) In assessing the value of such machinery and tools, the Director of Finance is hereby authorized and directed to require each person who owned any taxable machinery or tools on the first day of the tax year to make a return under oath of the original cost price, the year purchased and the book value of such machinery and tools, to be used as a basis of assessment, which shall be at the fair market value, as determined by means of applying the following assessment ratio schedule, of such machinery and tools. However, if the Director of Finance has reason to believe that any return made on machinery and tools by any person is inadequate, the Director of Finance shall be authorized to examine or cause to be examined any and all books and records of the person making such return and may also require the attendance at the Director's Office of the person making such return and examine such person under oath concerning the return:

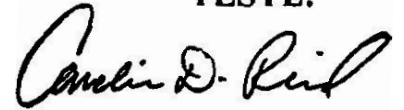
<i>Year Acquired</i>	<i>Assessment Ratio (%)</i>
1	90
2	80
3	70
4	60
5	50
6 and prior years	40
Salvage	10

(c) Motor vehicles owned or used by a motor carrier, motor carrier transportation property as defined in 49 USC 11503a(a)(3), and trailers and semitrailers with a gross vehicle weight (rating) of 10,000 pounds or more used to transport property or passengers for hire by a motor carrier engaged in interstate commerce, as provided in subsection (a) of this section, shall

be assessed in accordance with Code of Virginia, § 58.1-3503(A)(3). The assessment ratio schedule provided in Section 26-458(f) shall be used as a basis for assessment and determination of the fair market value of such vehicles which are not listed in a recognized pricing guide.

§ 2. This ordinance shall be in force and effect July 1, 2021.

**A TRUE COPY:  
TESTE:**

A handwritten signature in black ink, appearing to read "Carolin D. Reil". The signature is written in a cursive style with a large initial 'C'.

**City Clerk**




# CITY OF RICHMOND

## INTRACITY CORRESPONDENCE


**O&R REQUEST**

**DATE:** June 14, 2021 **EDITION:** 1

**TO:** The Honorable Members of City Council

**THROUGH:** The Honorable Levar M. Stoney, Mayor 

**THROUGH:** Lincoln Saunders, Acting Chief Administrative Officer 

**THROUGH:** Jay Brown, Director of Budget 

**FROM:** Sheila White, Director of Finance 

**RE:** Amendment to Richmond City Code sections 26-460 (a) and (c) regarding tangible personal property taxes; classification of certain vehicles, trailers and semi-trailers.

**ORD. OR RES. No.** \_\_\_\_\_

**PURPOSE:** This O&R request is to prepare an ordinance to amend the Richmond City Code sections 26-460 (a) and (c).

**REASON:** Pursuant to HB 1774, and effective July 1, 2021, the class of tangible personal property that includes 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 will be expanded to include such vehicles used to transport passengers. The Department of Finance requests an amendment to Richmond City Code sections 26-460(a) and (c) to encompass motor vehicles, trailers, and semitrailers with a gross vehicle weight of 10,000 pounds or more used by a motor carrier engaged in interstate commerce on a for hire basis for the transportation of property or passengers.

**RECOMMENDATION:** The City Administration recommends adoption.

**BACKGROUND:** Richmond City Code sections 26-460 (a) and (c) reflected the previous law, which identified a class of property only including vehicles used to transport property. Effective July 1, 2021, the class of tangible personal property that includes 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 will be expanded to include such vehicles used to transport passengers. The Department of Finance requests an amendment to Richmond City Code sections 26-460 (a) and (c) to expand the classification identified in those sections to include motor vehicles, trailers, and semitrailers with a gross vehicle weight of 10,000 pounds or more used to transport passengers for hire by a motor carrier engaged in interstate commerce.

**FISCAL IMPACT / COST:** Yes, unsure of cost

**FISCAL IMPLICATIONS:** Yes

**BUDGET AMENDMENT NECESSARY:** Yes, will impact fiscal year 2023, with minimal reduction in income to the City of Richmond.

**REVENUE TO CITY:** Yes

**DESIRED EFFECTIVE DATE:** Upon adoption

**REQUESTED INTRODUCTION DATE:** June 14, 2021

**CITY COUNCIL PUBLIC HEARING DATE:** June 28, 2021

**REQUESTED AGENDA:** Consent

**RECOMMENDED COUNCIL COMMITTEE:**

**CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES:** None

**AFFECTED AGENCIES:** Department of Finance

**RELATIONSHIP TO EXISTING ORD. OR RES.:** Amendments to Richmond City Code sections 26-460 (a) and (c)

**REQUIRED CHANGES TO WORK PROGRAM(S):**

**ATTACHMENTS:** None

**STAFF:** Sheila White, Director of Finance 646-5776  
Valerie Weatherless, Program & Operations Manager 646-5195