



Legislation Details (With Text)

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Title:	To create a new reservation of fund balance called the 2022 Real Estate Tax Relief Reserve, intended to be categorized as an assigned fund balance and used to return surplus real property tax revenues to taxpayers through a one-time, five-cent rebate.				
Sponsors:	Mayor Stoney, Cynthia Newbille, Andreas Addison, Ann-Frances Lambert, Katherine Jordan, Vice President Robertson, Michael Jones, Stephanie Lynch				
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Attachments:	1. Ord. No. 2022-303				

Date	Ver.	Action By	Action	Result
12/12/2022	1	City Council	adopted	Pass
11/14/2022	1	City Council	introduced and referred	

To create a new reservation of fund balance called the 2022 Real Estate Tax Relief Reserve, intended to be categorized as an assigned fund balance and used to return surplus real property tax revenues to taxpayers through a one-time, five-cent rebate.

WHEREAS, section 12-242(a) of the Code of the City of Richmond (2020), as amended, provides that each year's calculated general fund surplus as defined by section 12-241 of the Code of the City of Richmond (2020), as amended, shall be allocated 50 percent to the "rainy day fund," 40 percent to the Capital Maintenance Reserve, and ten percent to such special purpose reserves as may be established; and

WHEREAS, notwithstanding section 12-242(a) of the Code of the City of Richmond (2020), as amended, the Mayor and the City Council have determined that it would be in the best interests of the residents of the city of Richmond that up to \$18,000,000.00 of the calculated general fund surplus for the fiscal year commencing July 1, 2021, and ending June 30, 2022, which is more than ten percent of such calculated general fund surplus, be assigned to a special purpose reserve for the purpose of providing for a return of surplus real property tax revenue to real estate taxpayers in the city of Richmond pursuant to section 15.2-2511.1 of the Code of Virginia (1950), as amended;

NOW, THEREFORE,

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That a new reservation of fund balance called the 2022 Real Estate Tax Relief Reserve is hereby created. Notwithstanding section 12-242(a) or any other provision of the Code of the City of Richmond (2020), as amended, to the contrary, up to the first \$18,000,000.00 of any calculated general fund surplus, as section 12-241(a) of the Code of the City of Richmond (2020), as amended, defines “calculated general fund surplus,” for the fiscal year commencing July 1, 2021, and ending June 30, 2022, shall be assigned to the 2022 Real Estate Tax Relief Reserve. It is the intent of this ordinance that (i) the 2022 Real Estate Tax Relief Reserve be categorized as an assigned fund balance for purposes of generally accepted accounting principles, (ii) the amount assigned to the 2022 Real Estate Tax Relief Reserve be appropriated for the purpose of returning surplus real property tax revenue to real estate taxpayers in the city of Richmond pursuant to section 15.2-2511.1 of the Code of Virginia (1950), as amended, through a one-time, five-cent rebate, and (iii) the calculated general fund surplus, after the first \$18,000,000.00 thereof has been allocated to the 2022 Real Estate Tax Relief Reserve, be allocated first to the “rainy day fund” until 50 percent of the calculated general fund surplus has been allocated to the “rainy day fund” and then to the Capital Maintenance Reserve.

§ 2. This ordinance shall be in force and effect upon adoption.