

CALENDAR YEAR 2006 TAX RATES IN THE WASHINGTON METROPOLITAN AREA

Tax	Arlington County	City of Alexandria	City of Falls Church	City of Fairfax	Fairfax County	Loudoun County	Pr. William County
Local Real Estate Tax Rate	\$0.818	\$0.815	\$1.01	\$0.71	\$0.89	\$0.89	\$0.8071
Special Taxing Districts	\$.045 - \$.223	-	-	-	\$0.001-\$0.22	\$0.14-\$0.30	\$0.02-\$0.20
State Tax Rate	-	-	-	-	-	-	-
Personal Property							
Vehicle Rate	\$5.00	\$4.75	\$4.71	\$3.79	\$4.57	\$4.20	\$3.70
Effective Vehicle Rate	\$4.50	\$4.75	\$4.71	\$3.79	\$4.57	\$3.78	\$3.70
Business Rate	\$5.00	\$4.50	\$4.71	\$3.79	\$4.57	\$4.20	\$3.70
Newly Registered Vehicle Tax (state)	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Local Vehicle Registration-Decal	\$24	\$25	\$25	\$25	\$0	\$25	\$24
Car Rental Tax							
State	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Local	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	1.0%
Gasoline Tax							
Per Gallon	\$0.175	\$0.175	\$0.175	\$0.175	\$0.175	\$0.175	\$0.175
Retail Sales	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Sales Tax							
State (see note)	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Local	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Meals Tax	4.0%	3.0%	4.0%	2.0%	-	-	-
Transient Occupancy Tax	5.25%	5.5% plus \$1.00 per night/room	5.00%	4.00%	4.00%	5.00%	5.00%
BPOL							
Business Services	\$0.35	\$0.35	\$0.36	\$0.27	\$0.19	\$0.17	\$0.21
Professionals	\$0.36	\$0.58	\$0.52	\$0.40	\$0.31	\$0.33	\$0.33
Contractors	\$0.16	\$0.16	\$0.16	\$0.16	\$0.11	\$0.13	\$0.13
Retail	\$0.20	\$0.20	\$0.19	\$0.20	\$0.17	\$0.17	\$0.17
Repair Services	\$0.35	\$0.35	\$0.36	\$0.27	\$0.19	\$0.16	\$0.21
Recordation Tax							
State (see note)	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25
Local (see note)	\$0.0833	\$0.0833	\$0.0833	\$0.0833	\$0.0833	\$0.0833	\$0.0833
Grantor's Tax							
State	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50
Local	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50
Bank Stock Tax							
State	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20
Local	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80
Cigarette Tax, per 20 Cigarettes							
State (see note)	\$0.30	\$0.30	\$0.30	\$0.30	\$0.30	\$0.30	\$0.30
Local	\$0.30	\$0.70	\$0.65	\$0.50	\$0.05	-	-
Utility Tax on Commercial Users							
Electricity	\$1.15 plus \$0.00649/kWh	\$0.97 plus \$0.004610/kWh	\$0.92 plus \$0.004807/kWh	\$1.72 plus \$0.010112/kWh max=\$75.00	\$1.15 plus \$0.00594/kWh max=\$1,000	\$0.005393/kWh max=\$72.00	\$2.29 plus \$0.013487/kWh max=\$100/mo.
Telephone - Land Line	-	25% /1st \$150	20%,1st \$50	15% /1st \$500	22.2%/1st\$1600	8% /1st \$900	20% /1st \$500
Cellular	-	10% to max \$3.00/month		10% to max \$3.00/month	10% to max \$3.00/month	9%/1st \$30	10% to max \$3.00/month
Gas	\$0.845 plus \$0.06522/CCF	\$1.42 plus \$0.050213/CCF	\$0.676 plus \$0.04098/CCF	\$1.27 plus \$0.05295/CCF max=\$75.00	\$0.845 plus \$0.04794/CCF max=\$300	\$0.676 per mo. + \$0.0304/CCF max=\$72.00	\$3.35 plus \$0.085/CCF max=\$100/mo.
Water	-	15% /1st \$150	8%	15% /1st \$500	-	-	-
Utility Tax on Residential Users							
Electricity	-	\$1.12 plus \$0.12075/kWh max=\$2.40	\$0.70 plus \$0.007535/kWh max=\$5.00	\$1.05 plus \$0.01136/kWh max=\$2.25	\$0.56 plus \$0.00605/kWh max=\$4.00	\$0.006804/kWh max=\$2.70	\$1.40 plus \$0.01509/kWh max=\$3.00
Telephone - Land Line	-	25% on local	10% /1st \$50	15% /1st \$15	22.2%/1st \$50	9% /1st \$30	20% /1st \$15
Cellular	-	10% to max \$3.00/month		10% to max \$3.00/month	10% to max \$3.00/month	9%/1st \$30	10% to max \$3.00/month
Gas	-	\$1.28 plus \$0.124444/CCF max=\$2.40	\$0.70 plus \$0.0039/CCF max=\$5.00	\$1.05 plus \$0.05709/CCF max=\$2.25	\$0.56 plus \$0.05259/CCF max=\$4.00	\$0.63 plus \$0.06485/CCF max=\$2.70	\$1.60 plus \$0.06/CCF max=\$3.00
Water	-	15% /1st \$15	10% /1st \$50	15% /1st \$15	-	-	-

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Estate Tax	\$0.033	-	-	-	-	-	-
E-911 Tax, Per Line, Per Month							
State	-	-	-	-	-	-	-
Local	\$3.00	\$0.50	\$1.00	\$0.88	\$3.00	\$2.00	\$1.75
Wireless E-911 Tax							
State	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75

NOTES

REAL ESTATE TAX RATE: Virginia jurisdictions tax on 100% of each \$100 of assessed valuation each year. In Arlington, there are two special taxing districts that add to the base rate for funding sanitary sewer lines. There are also two special taxing district in the Rosslyn and Crystal City business districts to fund additional services and programs within the district's boundaries. In Alexandria, one cent (\$0.01) of the real estate tax rate goes to fund the acquisition of open space and \$.01 is dedicated to affordable housing. In Fairfax, Prince William and Loudoun counties, special taxing districts add to the base rate for funding items which may include: community centers, leaf collection, gypsy moth control, fire and rescue, and roads. Two of Loudoun County's special tax districts are County-wide (for gypsy moth & fire and rescue) which adds \$0.0497 to the base tax rate (fire and rescue does not apply to Town of Quantico).

EFFECTIVE VEHICLE PERSONAL PROPERTY TAX RATE COMMERCIAL AND CONSUMER: Vehicles in Arlington County and Loudoun County are assessed using the average loan value from the N.A.D.A. Used Car Guide. Other neighboring jurisdictions use the average trade-in value. This results in a lower assessment (about 10% less) for vehicles or an effective rate in Arlington of approximately \$4.50 and \$3.78 in Loudoun County. All vehicles including those of businesses are included in this category. In Alexandria the vehicle rate for the physically disabled is \$3.55.

BUSINESS TANGIBLE PERSONAL PROPERTY: The City of Alexandria and Counties of Loudoun and Prince William charge rates of \$4.50, \$2.75 and \$2.00 respectively for machinery and tools. In addition, Prince William County has other rates: the tax rate for Programmable Computer Equipment and Peripherals rate is \$1.25; Research and Development rate is \$1.00.

LOCAL VEHICLE REGISTRATION: Effective for tax years beginning July 2000, Arlington County charges an annual decal fee of \$24 for all applicable motor vehicles. Beginning in FY 2007, Fairfax County eliminated their decal fee and decal sticker.

CAR RENTAL: Effective July 1, 1992, the locality portion of the Virginia car rental tax was increased from 2.5% to 4.0% of gross proceeds. Effective July 1, 2004 the state increased its portion of the car rental tax to 6% with the additional 2% dedicated to the Virginia Public Building Authority for the Statewide Agencies Radio System (STARS).

SALES TAX: On June 3, 2004 the Governor sign HB 5018 which is the revenue budget for the FY 2004 - FY 2006 biennium. As part of this bill, the sales tax was increased 1/2 percent from 3.5% to 4.0%. One-half of this rate change will go to the Schools in the various jurisdictions. This new state sales tax rate became effective September 1, 2004. Effective July 1, 2006 the tax rate on food is reduced an additional 0.5 percent to 2.0 percent (State portion). An additional reduction of 0.5 percent is scheduled to occur on July 1, 2007. Food items are defined under the Food Stamp Act of 1977 (7 U.S.C. § 2012) to be food for home consumption by humans. This includes most grocery food items and cold prepared foods. Excluded from the definition of food are alcoholic beverages, tobacco and prepared hot foods sold for immediate consumption. The food tax described above does not include the local option 1.0

MEALS TAX: The meals tax is paid in addition to sales tax. In 1991, Arlington instituted a 4% restaurant meals tax on most prepared foods offered for sale.

TRANSIENT OCCUPANCY TAX: This tax is paid in addition to sales tax. In 1991, Arlington County approved a 0.25% increase on the total room rate, dedicating proceeds to the Travel and Tourism Promotion Fund. In the Spring of 2002, the General Assembly passed enabling legislation allowing Arlington to increase its transient occupancy tax an additional 2% provided the funds are dedicated to the construction of a visitor and convention center. The County is required to have a site selected prior to initiating the new tax. Alexandria charges \$1.00/room/day. Loudoun County charges 5.0% of which 2.0% goes to the General Fund and 3.0% goes to the TOT Fund.

BPOL TAX: For CY 1997 Virginia jurisdictions changed the BPOL thresholds to comply with state law so that businesses with gross receipts under \$10,000 would not pay BPOL tax, and businesses with gross receipts between \$10,000 and \$100,000 would pay a flat fee of \$50 or less. Beginning CY 2001, the date for filing changes from January 31 to March 1. Effective January 1, 2001, the BPOL on electric and natural gas is eliminated and replaced with a consumption tax.

RECORDATION TAX: The tax rate is per \$100. In Virginia, localities can impose a tax of up to one third of the state rate. The state rate increased from \$0.15 per \$100 of recorded value to \$0.25 effective September 1, 2004. Arlington's rate is now \$0.0833 (1/3 of the state rate).

GRANTOR'S TAX: This is a tax on the grantor and is imposed at a rate of \$1.00 per \$1,000. In Virginia, both the state and the locality receive 50% of the tax.

BANK STOCK TAX: This is a franchise tax on the net capital gains of banks and trust companies. In Virginia, the rate is \$1.00 per \$100 of taxable value as of January 1. In Northern Virginia, localities receive 80% of this collection and the State receives 20%.

CIGARETTE TAX: On June 3, 2004 the Governor signed HB 5018 which is the revenue budget for the FY 2004 - FY 2006 biennium. As part of this bill, the state increased the state imposed cigarette tax from \$0.025 to \$0.20 effective September 1, 2004 and \$0.30 effective July 1, 2005.

UTILITIES TAX: Arlington County does not charge utility taxes on residential consumers. Effective July 1, 2005 the commercial utility tax rates for electricity and natural gas were increased from \$.004989/kWh and \$.05017/CCF respectively.

ESTATE TAX: In Arlington County, the estate tax is added to the existing State Estate Tax, and is charged for the processing of estates by the Circuit Court Clerk's Office at a rate per \$100.

E 911 TAX: This tax is charged on applicable telephone lines at a monthly rate. Proceeds in Virginia can only be used for the operation and maintenance of the E-911 system, including the cost of dispatchers. Effective for FY 2005, Arlington's rate increased from \$1.75 to \$3.00 with the incremental increase going to fund the debt service and equipment upgrades in the new Emergency Operations Center. The state of Virginia assesses an E-911 tax on a wireless phones of \$0.75/phone.