

# COUNTY OF YORK

## MEMORANDUM

**DATE:** April 14, 2023

**TO:** York County Board of Supervisors

**FROM:** Neil A. Morgan, County Administrator



**SUBJECT:** Information Regarding the Concept of Personal Property Tax “Smoothing”

At the recent budget work session, staff was asked to investigate the possibility of some type of multi-year averaging or “smoothing” of personal property tax values. The attached communication to me from the Director of Finance and the Commissioner of the Revenue indicates that state law would have to be modified before considering this approach.

From a policy standpoint, a multi-year averaging approach would amount to another type of tax cut. In any case, it is not a strategy the County can currently consider.

Attachment

Copy to: Ann Thomas, Commissioner of the Revenue  
Theresa Owens, Director of Finance

## Morgan, Neil

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**From:** Owens, Theresa  
**Sent:** Thursday, April 13, 2023 5:47 PM  
**To:** Morgan, Neil  
**Subject:** April 4 followup

Neil,

As a follow-up to a question that Mr. Roane asked in the April 4<sup>th</sup> work session about “averaging” or “smoothing” out assessments for vehicles, I followed up with Ann Thomas to see if this approach is allowed or not since part of her duties are to assess personal property.

She supplied me with the following:

Valuation – § 58.1-3503 “Automobiles shall be valued by means of a recognized pricing guide or if the model and year of the individual automobile are not listed in the recognized pricing guide, the individual vehicle may be valued on the basis of percentage or percentages of original cost. In using a recognized pricing guide, the commissioner shall use either of the following two methods. The commissioner may use all applicable adjustments in such guide to determine the value of each individual automobile, or alternatively, if the commissioner does not utilize all applicable adjustments in valuing each automobile, he shall use the base value specified in such guide which may be either average retail, wholesale, or loan value, so long as uniformly applied within classifications of property. If the model and year of the individual automobile are not listed in the recognized pricing guide, the taxpayer may present to the commissioner proof of the original cost.”

Since the state code does not state the values can be averaged over a certain period, it cannot be handled that way.

Tax Day January 1 - § 58.1-3515 “January 1 of each year, which date shall be known as the effective date of assessment or the tax day. The status of all persons, firms, corporations and other taxpayers liable for taxation on any of such property shall be fixed as of the date aforesaid in each year and the value of all such property shall be taken as of such date,”

Assessment of vehicles shall be effective on the tax day, or January 1 of the tax year.

### Constitution of Virginia

Article X. Taxation and Finance, Section 1. Taxable property; uniformity; classification and segregation “All taxes shall be levied and collected under general laws and shall be uniform upon the same class...”

Assessments shall be uniform within each class of property.

Article X. Taxation and Finance, Section 2. Assessments “All assessments of real estate and tangible personal property shall be at their fair market value, to be ascertained as prescribed by law.”

Personal Property shall be assessed at 100% fair market value.

Conclusion

It would be unconstitutional to assess property based on the average of the last 5 years because:

- Property must be assessed at it's fair market value as of January 1 of each tax year
- Assessments must uniform in application. Some vehicles do not have a 5 year history of assessment. (example: model years 2022 – 2019) This would lose uniformity.
- Vehicles must be assessed using a recognized pricing guide, or a percentage or percentages of original cost for that tax year.

Theresa S. Owens

Director of Finance

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# COUNTY OF YORK

## MEMORANDUM

**DATE:** April 10, 2023

**TO:** York County Board of Supervisors

**FROM:** Neil A. Morgan, County Administrator



**SUBJECT:** Springfield Road/Tranquility Development

As a follow-up to the previous Board correspondence, I wanted to provide you with an update on the developments of the feasibility study to determine if there is a practical opportunity to design and build an alternative construction road connecting Tranquility to Hawks Nest Road. The Department of Public Works has selected one of our engineering consultants, AH Environmental, to proceed with the development of the scope of work and a feasibility report for use by York County. There will be a significant number of challenges to the project, including limits of use of former fuel property, wetland delineation, permitting requirements, possible site plan modifications, environmental constraints, and coordination with multiple property owners.

Staff will also request AH Environmental explore the option to extend the sewer along Springfield Road and widen it to alleviate ongoing traffic concerns. This process will include the development of a conceptual plan to renovate and widen the road, sewer extension, and connection points to residences along Springfield Road. The option could provide a more sustainable long-term solution while improving the quality of life for residents in the surrounding community.

We will continue to provide updates to the Board as the feasibility study progresses.