



FCTA Bulletin – April 29, 2023

CHAIRMAN MCKAY PROPOSES 6 1/2-CENT REAL ESTATE TAX HIKE FOR HOMEOWNERS

Homeowner taxes to increase \$1100 in two years

By Arthur Purves, President, Fairfax County Taxpayers Alliance

Below is the Fairfax County Taxpayers Alliance (FCTA) testimony at the Fairfax County Board of Supervisors April 11 "FY2024 Effective Tax Rate Increase Hearing." We believed that next year's real estate tax rate would be \$1.08 per \$100 of assessed value. Instead, at the April 28 budget committee, County Chairman Jeff McKay proposed \$1.095. This testimony has been updated to use the \$1.095 rate.

Members of the Board:

Thank you for the opportunity to testify. I am Arthur Purves and address you as president of the Fairfax County Taxpayers Alliance.

The purpose of this hearing is to solicit community input on your proposed 6-cent increase in the real estate tax rate.

However, only three people have signed up to testify. How could the county be so indifferent to a 6-cent increase in the tax rate?

Perhaps it's because they don't know about it.

In his March 7 email about the advertised tax rate, the county chairman stated that the advertised rate of \$1.11 is "unchanged from last year." That statement is in violation of the Virginia Code (Section 58.1-3321), which states that previous year's rate must be lowered to offset the increase in assessments. That lowered rate is \$1.05, which you were required by law to publish in a legal announcement that appeared in the March 9, 2023, issue of the *Washington Times* (reproduced [here](#)).

The correct statement in the chairman's newsletter would have been that the \$1.11 advertised rate is a "6-cent increase from last year." The chairman did not say that.

The \$1.05 "lowered" rate offsets the 5.7% average assessment increase of both commercial and residential properties.

However, the rate that would offset the assessment increase for single-family dwellings is \$1.03 since the assessment increase for single-family dwellings is higher, at 7.8%.

If you adopt a rate of \$1.095 per \$100 assessed value, which you are poised to do, that would be a 6 1/2-cent increase for homeowners and would cost them \$412 on top of this year's tax

increase of \$664 (includes the car tax hike). So, **you will have raised homeowner taxes almost \$1100 in two years.**

You will say, as you did last year, that you “reduced” the tax rate, a statement that violates the Virginia code.

A good rule of thumb for homeowners is that when the supervisors say that they are reducing the tax rate, expect a big tax increase. This is because the supervisors only reduce the tax rate when there is an assessment increase, and the rate is never reduced enough to offset the increase.

Is it unreasonable to assume that the low attendance at this hearing is by design?

Not only did the chairman’s newsletter misrepresent the \$1.11 advertised tax rate as “unchanged,” he did not mention this hearing.

In fact, when I go to the [Fairfax County News Center](#) and search for “FY2024 advertised tax rate”, I get “YOUR SEARCH YIELDED NO RESULTS.” **Shouldn’t you at least advertise the advertised tax rate?** It is an important number. It is the upper limit on the tax rate the supervisors can adopt when they vote on the budget.

When I search for “FY2024 tax rate hearing”, I again get “YOUR SEARCH YIELDED NO RESULTS.”

This hearing is not mentioned on the county’s budget timeline. It’s not mentioned anywhere that I can find except for the obscure ad in the legal section of the Washington Times.

I have occasion to visit Utah and took the opportunity to talk to the Utah Taxpayers Association. In 1985 Utah passed a Truth-in-Taxation law. The Utah state code requires local governments, when they advertise a tax rate that will increase real estate taxes, to mail to each homeowner an assessment notice with the advertised rate, the dollar increase that rate would produce in each homeowner’s real estate tax bill, and the date of a public hearing to hear testimony on the advertised rate.

The Fairfax County Taxpayers Alliance urges you to do the same and to also add this provision to your legislative agenda for the General Assembly.

You already send out an assessment notice to each homeowner. Just send the notice after the advertised rate is announced, state the resulting increase on their real estate tax bill, and publish the date and time of this hearing.

The supervisors should be transparent with the people who pay their salaries.

Thank you.

THE FAIRFAX COUNTY TAXPAYERS ALLIANCE
“WATCHDOG OF THE TAXPAYER’S DOLLAR SINCE 1956”
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