

TRANSPORTATION TAX FUND

FUNCTION: Transportation Tax Fund
DEPARTMENT:
DIVISION OR ACTIVITY:

Budget Comments:

The City Council established the Commercial Property Tax/Transportation Fund (renamed “Transportation Tax Fund”) as part of the FY 2010 Adopted Budget, which levied an additional tax per \$100 of assessed value on all commercial and industrial properties located in the City of Fairfax.

Fiscal Year	Assessment Rate
FY 2010	9 ¢
FY 2011	5.5 ¢
FY 2017	9.5 ¢
FY 2018	10.5¢
FY 2019	11.5 ¢
FY 2020 – FY 2023	* 12.5 ¢

*Maximum allowed by the state of Virginia

One penny on the commercial property tax rate is equivalent to approximately \$187,796, and the FY 2023 adopted rate of 12.5¢ per \$100 of assessed value will generate approximately \$2,347,444. All residential properties, including apartment buildings, are excluded from this tax.

By approving HB 3202 and HB 2479, the General Assembly authorized Northern Virginia Transportation Authority (NVTA) members to raise revenue by enacting a local ordinance imposing the additional commercial tax. This fund also accounts for “30%” monies received from NVTA pursuant to HB 2331. The revenue collected from these sources is to be used solely for transportation and transit purposes, as follows:

- New road construction and associated planning, design, and right-of-way acquisition, including new additions to, expansions, or extensions of existing roads that add new capacity, service, or access;
- New public transit construction and associated planning, design, and right-of-way acquisition, including new additions to, expansions, or extensions of existing public transit projects that add new capacity, service, or access;
- Other capital costs related to new transportation projects that add new capacity, service, or access and the operating costs directly related to the foregoing;
- The issuance costs and debt service on bonds that may be issued to support the capital costs permitted in any of the above bullets.

FY 2023 Adopted Budget - City of Fairfax, Virginia

**City of Fairfax, Virginia
FY 2023 Transportation Tax Fund
Budget Summary**

	FY 2021	FY 2022	FY 2022	FY 2023	Variance to	Variance to
	<u>Actual</u>	<u>Budget</u>	<u>Estimate</u>	<u>Adopted</u>	<u>Budget \$</u>	<u>Budget %</u>
Fund Balance - Beginning	\$ 5,362,819	\$ 5,555,684	\$ 5,353,955	\$ 5,123,607		
Revenues						
NVTA 30% Revenue	\$ 2,752,860	\$ 2,519,532	\$ 2,924,854	\$ 3,036,496	\$ 516,964	20.52%
Other State Revenue	-	-	-	-	-	0.00%
Transfer from General Fund (C & I Tax)	2,332,091	2,312,992	2,354,259	2,347,444	34,452	1.49%
Total Revenues	\$ 5,084,951	\$ 4,832,524	\$ 5,279,113	\$ 5,383,940	\$ 551,416	11.41%
Expenses						
Transfer to Capital Projects (C&I)	\$ 513,870	\$ 1,795,427	\$ 1,795,427	\$ 1,254,604	\$ (540,823)	-30.12%
Transfer to Capital Projects (30%)	2,120,695	1,055,880	655,880	487,000	(568,880)	-53.88%
Transfer to Other Funds	-	-	-	-	-	0.00%
Transfer to Transit Fund	2,459,250	2,982,890	3,058,154	3,162,101	179,211	6.01%
Total Expenses	\$ 5,093,815	\$ 5,834,197	\$ 5,509,461	\$ 4,903,705	\$ (930,492)	-15.95%
Cash Balance - Ending	\$ 5,353,955	\$ 4,554,011	\$ 5,123,607	\$ 5,603,841		

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