



## Legislation Text

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File #: 24-0109, Version: 1

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Ordinance to Adopt Tax Rates Applicable to All Classifications of Tangible Personal Property Liable for Such Levy in the City of Hampton, Virginia for the Calendar Year Beginning January 1, 2025

### **PURPOSE/BACKGROUND:**

Ordinance to adopt the tax rates applicable to all classifications of tangible personal property liable for such levy in the City of Hampton, Virginia as presented in the City Manager's Recommended Budget for Fiscal Year 2025.

### **Discussion:**

This ordinance adopts tax rates applicable to any and all tangible personal property in the entire City, including Fort Monroe and the U. S. Government Reservations of Langley Field and the Kecoughtan Veterans Facility. No personal property tax rate increases are proposed. The generally applicable tax rate is four and 50/100 Dollars (\$4.50) per \$100.00 of assessed value. The tax rates applicable to the following categories shall be less than that rate, as permitted by Code of Virginia Sec. 58.1-3506: (1) certain classes of tangible personal property exempt from taxation pursuant to Hampton City Code §37-141 (applicable to certain household goods and personal effects); (2) vehicles without motive power used or designed to be used as a manufactured home; (3) motor vehicles specially equipped to provide transportation for physically handicapped individuals; (4) machinery and tools; (5) machinery and tools used directly in the manufacture of precision investment castings; (6) privately owned pleasure boats and watercraft, 18 feet and over, used for recreational purposes only; (7) privately owned pleasure boats and watercraft, motorized and under 18 feet that are used for recreational purposes only; (8) privately owned pleasure boats and watercraft, nonmotorized and under 18 feet that are used for recreational purposes only; (9) boats or watercraft weighing less than five tons used for business purposes only; (10) boats or watercraft weighing five tons or more used for business purposes only; (11) privately owned camping trailers, privately owned travel trailers, and certain privately owned trailers designed for the transportation of horses; (12) privately owned motor homes that are used for recreational purposes only; (13) one (1) motor vehicle owned and regularly used by a disabled veteran; and (14) tangible personal property of certain public service corporations.

The public hearings necessary to adopt a budget and these tax rates were duly advertised in the Daily Press on April 14, 2024 and April 21, 2024.

Pursuant to Hampton City Code Sec. 2-50(c), "No ordinance or resolution, having for its object a tax rate increase, shall be passed on the same day of its introduction, except such a rate may be passed on the same day of its introduction by the concurrence of five (5) members of the council, pursuant to a motion made for that purpose. In addition, in no instance shall the tax rate increase adopted exceed such rate published and advertised prior to its adoption." This ordinance is being introduced on May 1, 2024. Final approval will be requested at City Council's meeting on May 8, 2024.

**Impact:**

All tax rates stated below are the same as those tax rates adopted for calendar year 2024.

**Recommendation:**

May 1, 2024: First reading only.

May 8, 2024: Final approval.

**WHEREAS**, the City Council is required to annually consider the City Manager's Recommended Budget for the next fiscal year; and to adopt a budget and appropriate, by ordinance, funding consistent with that budget.

**BE IT ORDAINED** by the City Council of the City of Hampton, Virginia, that the City levy for the calendar year beginning January 1, 2025, on each \$100.00 of assessed value of tangible personal property which is liable for such levy within and throughout the entire City of Hampton, Virginia, including Fort Monroe and the U. S. Government Reservations of Langley Field and the Kecoughtan Veterans Facility, for the purpose of meeting the requirements of the Hampton City Code §2-50, to wit:

For the period from January 1, 2025 to December 31, 2025, any and all tangible personal property in the entire City shall be taxed at a rate of Four and 50/100 Dollars (\$4.50) per \$100.00 of assessed value other than: (1) certain classes of tangible personal property exempt from taxation pursuant to Hampton City Code §37-141; (2) vehicles without motive power used or designed to be used as a manufactured home; (3) motor vehicles specially equipped to provide transportation for physically handicapped individuals; (4) machinery and tools; (5) machinery and tools used directly in the manufacture of precision investment castings; (6) privately owned pleasure boats and watercraft, 18 feet and over, used for recreational purposes only; (7) privately owned pleasure boats and watercraft, motorized and under 18 feet that are used for recreational purposes only; (8) privately owned pleasure boats and watercraft, nonmotorized and under 18 feet that are used for recreational purposes only; (9) boats or watercraft weighing less than five tons used for business purposes only; (10) boats or watercraft weighing five tons or more used for business purposes only; (11) privately owned camping trailers, privately owned travel trailers, and certain privately owned trailers designed for the transportation of horses; (12) privately owned motor homes that are used for recreational purposes only; (13) one (1) motor vehicle owned and regularly used by a disabled veteran; and (14) tangible personal property of certain public service corporations, each of which shall be taxed at the rates set forth below.

Vehicles without motive power used or designed to be used as manufactured homes as defined in Code of Virginia §36-85.3, as set forth in Code of Virginia §58.1-3506(A)(10), shall be taxed at a rate equal to the applicable tax rate on real properties adopted for the period beginning July 1, 2024 and ending June 30, 2025 per \$100 of assessed value.

Motor vehicles specially equipped to provide transportation for physically handicapped individuals, as set forth in Code of Virginia §58.1-3506(A)(14), shall be taxed at a rate of One Millionth of One Cent (\$0.000001) per \$100.00 of assessed value.

Machinery and tools, as set forth in Code of Virginia §58.1-3507, shall be taxed at a rate of Three and 50/100 Dollars (\$3.50) per \$100.00 of assessed value.

Machinery and tools used directly in the manufacture of precision investment castings, as set forth in Code of Virginia § 58.1-3508.3, shall be taxed at a rate of Three and 25/100 Dollars (\$3.25) per \$100.00 of assessed value.

Privately owned pleasure boats and watercraft, 18 feet and over, used for recreational purposes only, as set forth in Code of Virginia §58.1-3506(A)(12), shall be taxed at a rate of One Millionth of One Cent (\$0.000001) per \$100.00 of assessed value.

Privately owned pleasure boats and watercraft, motorized and under 18 feet, used for recreational purposes only, as set forth in Code of Virginia §58.1-3506(A)(28), shall be taxed at a rate of One Millionth of One Cent (\$0.000001) per \$100.00 of assessed value.

Privately owned pleasure boats and watercraft, nonmotorized and under 18 feet, used for recreational purposes only, as set forth in Code of Virginia §58.1-3506(A)(29), shall be taxed at a rate of One Millionth of One Cent (\$0.000001) per \$100.00 of assessed.

Boats or watercraft weighing less than five tons, used for business purposes only , as set forth in Code of Virginia §58.1-3506(A)(35), shall be taxed at a rate of One and 00/100 Dollar (\$1.00) per \$100.00 of assessed value.

Boats or watercraft weighing five tons or more, used for business purposes only, as set forth in Code of Virginia §58.1-3506(A)(36), shall be taxed at a rate of One and 00/100 Dollar (\$1.00) per \$100.00 of assessed value.

Privately owned camping trailers as defined in Code of Virginia §46.2-100, privately owned travel trailers as defined in Code of Virginia §46.2-1900, which are used for recreational purposes only, and privately owned trailers as defined in Code of Virginia §46.2-100 which are designed and used for the transportation of horses except those trailers described in Code of Virginia §58.1-3505 (A)(11), as per Code of Virginia §58.1-3506(A)(18) shall be taxed at a rate of One and 50/100 Dollars (\$1.50) per \$100.00 of assessed value.

Privately owned motor homes as defined in Code of Virginia Code §46.2-100 used for recreational purposes only, as per Code of Virginia §58.1-3505(A)(30) shall be taxed at a rate of One and 50/100 Dollars (\$1.50) per \$100.00 of assessed value.

One (1) motor vehicle owned and regularly used by a qualifying disabled veteran, as set forth in Code of Virginia §58.1-3506(A)(19), shall be taxed at a rate of One Millionth of One Cent (\$0.000001) per \$100.00 of assessed value.

Tangible personal property of public service corporations other than aircraft, automobiles, and trucks, as set forth in Code of Virginia §58.1-2606, shall be taxed at the same rate applicable to real estate and improvements thereon.