

Estimates of:

- 1) Local Option Sales and Use Tax

to be distributed to localities
during Fiscal Year 2022

Virginia Department of Taxation
March 3, 2021

Preface

Since the 1960's, the Department of Taxation has been providing the local governing body of every county, city, and town in the Commonwealth with an estimate of its distributive share of certain revenues for the following fiscal year. This report complies with the Code of Virginia §15.2-2502 requiring that such estimates be provided within fifteen days following adjournment of the Virginia General Assembly.

Enclosed are the Fiscal Year 2022 estimates for the local distributions of the Local Option Sales and Use Tax and the State Recordation and Grantor's taxes.

The Code of Virginia § 22.1-93, requires the Department of Education to provide, within fifteen days following final adjournment, "...estimates to be used for budgetary purposes relative to the Basic School Aid Formula..." Estimates of the Fiscal Year 2021 local distributions of the State Sales and Use Tax for Public Education are transmitted to the localities by the Department of Education.

During the 2020 session of the General Assembly, legislation was enacted that will alter the manner in which recordation and grantor tax distributions are made to the localities.

Senate Bill 890 revised Section 58.1-816 of the Code of Virginia as follows:

§ 58.1-816. Distribution of recordation tax to cities and counties.

- A. Effective October 1, 1993, ~~twenty~~ \$20 million dollars of the taxes imposed under §§ 58.1-801 through 58.1-809 ~~which that~~ are actually paid into the state treasury, shall be distributed among the counties and cities of ~~this~~ the Commonwealth, *except for counties and cities located in Planning District 8*, in the manner provided in subsection B ~~of this section~~. Effective July 1, 1994, such annual distribution shall increase to ~~forty~~ \$40 million dollars. ***Effective July 1, 2021, such annual distribution shall be \$20 million.***

In addition, also during the 2020 session of the General Assembly, House Bill 1726, beginning in fiscal year 2021, would dedicate the first \$20 million of the annual distribution under Section 58.1-816 to the Hampton Roads Regional Transit Fund (HRTTF). Any remaining amounts would be apportioned and distributed quarterly to the localities outside the Hampton Roads Transportation District.

The Appropriations Act (House Bill 30) for Fiscal Years 2021 and 2022 in Item 273 – Financial Assistance to Localities distributes \$20 million in each of fiscal years 2021 and 2022. Given that House Bill 1726 would dedicate the first \$20 million of such amount to the HRRTF, there would be no remaining amounts to distribute to the other localities effective July 1, 2020.

The estimates contained herein should not be interpreted to be a State guarantee that each locality will receive the amounts indicated. Rather, they should be viewed only as estimates for each locality that are consistent with the latest economic assumptions utilized in forecasting State General Fund revenues.

Each local governing body is urged to verify the reasonableness of the estimates based on the expert knowledge of its officials and to track news releases pertaining to the developments with the Commonwealth's Budget and the Census data. If there are any questions concerning this publication, please feel free to contact the Department's Office of Revenue Forecasting at (804) 371-4372.

Craig M. Burns
Tax Commissioner

LOCAL OPTION SALES AND USE TAX

The State collects and distributes the Local Option one percent Sales and Use Tax.¹ Actual distributions are made to every county and city based on the locality in which the tax was collected.

¹As provided under the Code of Virginia §58.1-605 and §58.1-606.

**Actual FY 2020 Local 1%
Option Distribution Sales
and Use Tax** **Estimated FY
2022 Local Option
Sales and Use Tax**

Locality	(\$)		% of State
Counties			
Accomack County	4,707,078	0.3464%	4,872,840
Albemarle County	18,514,421	1.3624%	19,166,413
Alleghany County	1,109,501	0.0816%	1,148,573
Amelia County	930,861	0.0685%	963,641
Amherst County	3,187,095	0.2345%	3,299,329
Appomattox County	1,501,695	0.1105%	1,554,577
Arlington County	45,015,274	3.3124%	46,600,502
Augusta County	6,684,861	0.4919%	6,920,271
Bath County	801,692	0.0590%	829,923
Bedford County*	7,276,746	0.5355%	7,532,999
Bland County	463,193	0.0341%	479,504
Botetourt County	3,380,249	0.2487%	3,499,285
Brunswick County	799,959	0.0589%	828,129
Buchanan County	1,715,008	0.1262%	1,775,403
Buckingham County	842,092	0.0620%	871,747
Campbell County	5,625,548	0.4140%	5,823,654
Caroline County	2,789,333	0.2053%	2,887,560
Carroll County	2,238,278	0.1647%	2,317,100
Charles City County	915,027	0.0673%	947,250
Charlotte County	784,982	0.0578%	812,625
Chesterfield County	54,933,695	4.0422%	56,868,203
Clarke County	1,530,228	0.1126%	1,584,116
Craig County	211,341	0.0156%	218,783
Culpeper County	8,568,303	0.6305%	8,870,038
Cumberland County	607,832	0.0447%	629,237
Dickenson County	820,569	0.0604%	849,466
Dinwiddie County	2,162,230	0.1591%	2,238,374
Essex County	2,171,968	0.1598%	2,248,455
Fairfax County	197,690,443	14.5469%	204,652,175
Fauquier County	11,124,919	0.8186%	11,516,687
Floyd County	1,099,634	0.0809%	1,138,358
Fluvanna County	2,161,823	0.1591%	2,237,952
Franklin County	5,681,382	0.4181%	5,881,453
Frederick County	16,127,993	1.1868%	16,695,946
Giles County	1,894,867	0.1394%	1,961,596
Gloucester County	5,285,597	0.3889%	5,471,731
Goochland County	3,804,901	0.2800%	3,938,891
Grayson County	555,868	0.0409%	575,443
Greene County	2,399,042	0.1765%	2,483,525
Greensville County	756,319	0.0557%	782,953

	Actual FY 2020 Local 1% Option Distribution Sales and Use Tax		Estimated FY 2022 Local Option Sales and Use Tax
Locality	(\$)	% of State	
Halifax County	4,008,900	0.2950%	4,150,075
Hanover County	25,341,095	1.8647%	26,233,490
Henrico County	70,641,011	5.1981%	73,128,657
Henry County	5,418,421	0.3987%	5,609,232
Highland County	143,063	0.0105%	148,101
Isle of Wight County	3,345,539	0.2462%	3,463,354
James City County	10,770,026	0.7925%	11,149,295
King and Queen County	238,174	0.0175%	246,561
King George County	3,036,346	0.2234%	3,143,272
King William County	1,518,011	0.1117%	1,571,468
Lancaster County	1,999,312	0.1471%	2,069,718
Lee County	1,553,700	0.1143%	1,608,414
Loudoun County	88,364,450	6.5022%	91,476,233
Louisa County	4,475,232	0.3293%	4,632,829
Lunenburg County	561,709	0.0413%	581,490
Madison County	1,188,824	0.0875%	1,230,688
Mathews County	603,849	0.0444%	625,114
Mecklenburg County	6,110,727	0.4497%	6,325,918
Middlesex County	1,268,734	0.0934%	1,313,413
Montgomery County	13,712,753	1.0090%	14,195,652
Nelson County	1,419,380	0.1044%	1,469,364
New Kent County	2,120,302	0.1560%	2,194,969
Northampton County	1,664,781	0.1225%	1,723,407
Northumberland County	860,435	0.0633%	890,736
Nottoway County	1,687,101	0.1241%	1,746,513
Orange County	4,052,541	0.2982%	4,195,253
Page County	2,257,597	0.1661%	2,337,099
Patrick County	1,348,570	0.0992%	1,396,061
Pittsylvania County	3,053,280	0.2247%	3,160,802
Powhatan County	3,702,159	0.2724%	3,832,531
Prince Edward County	3,407,195	0.2507%	3,527,180
Prince George County	3,045,872	0.2241%	3,153,133
Prince William County	71,889,768	5.2899%	74,421,389
Pulaski County	4,726,817	0.3478%	4,893,273
Rappahannock County	691,439	0.0509%	715,788
Richmond County	1,614,816	0.1188%	1,671,683
Roanoke County	13,174,576	0.9694%	13,638,523
Rockbridge County	3,191,397	0.2348%	3,303,783
Rockingham County	8,908,072	0.6555%	9,221,773
Russell County	2,093,365	0.1540%	2,167,083

	Actual FY 2020 Local 1% Option Distribution Sales and Use Tax		Estimated FY 2022 Local Option Sales and Use Tax
Locality	(\$)	% of State	
Scott County	1,777,655	0.1308%	1,840,256
Shenandoah County	5,400,383	0.3974%	5,590,559
Smyth County	2,719,411	0.2001%	2,815,176
Southampton County	823,031	0.0606%	852,014
Spotsylvania County	20,631,324	1.5181%	21,357,863
Stafford County	16,927,032	1.2456%	17,523,123
Surry County	661,580	0.0487%	684,877
Sussex County	1,116,210	0.0821%	1,155,517
Tazewell County	6,148,849	0.4525%	6,365,382
Warren County	5,454,859	0.4014%	5,646,953
Washington County	8,292,946	0.6102%	8,584,985
Westmoreland County	1,256,727	0.0925%	1,300,983
Wise County	3,352,637	0.2467%	3,470,702
Wythe County	4,814,828	0.3543%	4,984,383
York County	11,127,042	0.8188%	11,518,884
Cities			
Alexandria City	30,200,747	2.2223%	31,264,275
Bristol City	4,302,597	0.3166%	4,454,115
Buena Vista City	423,537	0.0312%	438,452
Charlottesville City	11,824,756	0.8701%	12,241,168
Chesapeake City	43,021,956	3.1657%	44,536,988
Colonial Heights City	7,843,542	0.5772%	8,119,754
Covington City	1,411,978	0.1039%	1,461,701
Danville City	8,720,133	0.6417%	9,027,215
Emporia City	1,645,067	0.1211%	1,702,998
Fairfax City	11,764,456	0.8657%	12,178,745
Falls Church City	5,764,478	0.4242%	5,967,475
Franklin City	1,897,037	0.1396%	1,963,841
Fredericksburg City	12,379,925	0.9110%	12,815,888
Galax City	2,401,876	0.1767%	2,486,459
Hampton City	16,840,068	1.2392%	17,433,097
Harrisonburg City	14,231,234	1.0472%	14,732,392
Hopewell City	2,221,517	0.1635%	2,299,748
Lexington City	1,106,798	0.0814%	1,145,774
Lynchburg City	16,418,485	1.2081%	16,996,668
Manassas City	10,500,245	0.7727%	10,870,015
Manassas Park City	2,384,026	0.1754%	2,467,980
Martinsville City	2,061,023	0.1517%	2,133,603
Newport News City	26,943,972	1.9826%	27,892,813

Actual FY 2020 Local 1% Option Distribution Sales and Use Tax	Estimated FY 2022 Local Option Sales and Use Tax
--	---

Locality	(\$)		% of State
Norfolk City	35,379,894	2.6034%	36,625,809
Norton City	1,633,608	0.1202%	1,691,136
Petersburg City	4,195,927	0.3088%	4,343,688
Poquoson City	752,770	0.0554%	779,279
Portsmouth City	8,332,902	0.6132%	8,626,348
Radford City	1,077,325	0.0793%	1,115,263
Richmond City	37,128,659	2.7321%	38,436,156
Roanoke City	22,366,851	1.6458%	23,154,507
Salem City	7,616,200	0.5604%	7,884,407
Staunton City	4,784,741	0.3521%	4,953,237
Suffolk City	12,425,630	0.9143%	12,863,203
Virginia Beach City	68,272,790	5.0238%	70,677,038
Waynesboro City	5,475,043	0.4029%	5,667,848
Williamsburg City	4,915,126	0.3617%	5,088,214
Winchester City	9,735,725	0.7164%	10,078,572
<i>*Includes Bedford City.</i>			