

Estimates of:

- 1) Local Option Sales and Use Tax

to be distributed to localities  
during Fiscal Year 2024

## **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 2024 estimates for the distributions of the Local Option Sales and Use Tax. The estimates contained herein are based on the Chapter 2 Appropriations Act that was passed in June 2022 by the General Assembly. Any changes to the local option sales tax that may occur in subsequent budget negotiations would result in updated estimates being posted.

***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 2024 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, Chapter 1241 would dedicate the first \$20 million of the annual distribution under Section 58.1-816 to the Hampton Roads Regional Transit Fund (HRTTF), beginning in fiscal year 2021.

**The Appropriations Act (Chapter 2) for Fiscal Years 2023 and 2024 in Item 266 – Financial Assistance to Localities distributes \$20 million in each of fiscal years 2023 and 2024. Given that Chapter 1241 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.<sup>1</sup> Actual distributions are made to every county and city based on the locality in which the tax was collected.

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<sup>1</sup>As provided under the Code of Virginia §58.1-605 and §58.1-606.

<b>Actual FY 2022 Local 1% Option Distribution Sales and Use Tax</b>	<b>Estimated FY 2024 Local Option Sales and Use Tax</b>
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<b>Locality</b>	<b>(\$)</b>		<b>% of State</b>
<b>Counties</b>			
Accomack County	5,697,607	0.3426%	6,104,727
Albemarle County	22,284,786	1.3401%	23,877,136
Alleghany County	1,245,002	0.0749%	1,333,963
Amelia County	1,343,192	0.0808%	1,439,170
Amherst County	4,058,817	0.2441%	4,348,838
Appomattox County	1,855,323	0.1116%	1,987,894
Arlington County	47,037,148	2.8286%	50,398,168
Augusta County	8,752,546	0.5263%	9,377,955
Bath County	930,406	0.0560%	996,888
Bedford County*	9,385,553	0.5644%	10,056,194
Bland County	468,865	0.0282%	502,367
Botetourt County	4,049,013	0.2435%	4,338,334
Brunswick County	1,113,625	0.0670%	1,193,199
Buchanan County	1,915,867	0.1152%	2,052,765
Buckingham County	1,121,278	0.0674%	1,201,398
Campbell County	7,825,508	0.4706%	8,384,676
Caroline County	3,255,119	0.1957%	3,487,712
Carroll County	2,943,399	0.1770%	3,153,718
Charles City County	1,668,846	0.1004%	1,788,093
Charlotte County	953,867	0.0574%	1,022,025
Chesterfield County	68,577,944	4.1240%	73,478,152
Clarke County	1,872,678	0.1126%	2,006,490
Craig County	289,544	0.0174%	310,233
Culpeper County	10,987,028	0.6607%	11,772,102
Cumberland County	863,968	0.0520%	925,702
Dickenson County	973,813	0.0586%	1,043,397
Dinwiddie County	2,734,465	0.1644%	2,929,856
Essex County	2,640,464	0.1588%	2,829,137
Fairfax County	233,022,056	14.0130%	249,672,548
Fauquier County	14,568,788	0.8761%	15,609,795
Floyd County	1,464,113	0.0880%	1,568,730
Fluvanna County	2,547,475	0.1532%	2,729,504
Franklin County	7,250,757	0.4360%	7,768,856
Frederick County	20,990,832	1.2623%	22,490,723
Giles County	2,508,391	0.1508%	2,687,627
Gloucester County	6,659,642	0.4005%	7,135,504
Goochland County	4,842,101	0.2912%	5,188,091
Grayson County	765,766	0.0461%	820,484
Greene County	3,123,115	0.1878%	3,346,276
Greensville County	892,940	0.0537%	956,744

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Locality	(\$)	% of State	
Halifax County	4,607,281	0.2771%	4,936,493
Hanover County	31,660,779	1.9040%	33,923,087
Henrico County	87,332,090	5.2518%	93,572,367
Henry County	6,005,256	0.3611%	6,434,359
Highland County	190,560	0.0115%	204,176
Isle of Wight County	4,618,324	0.2777%	4,948,324
James City County	14,263,698	0.8578%	15,282,904
King and Queen County	369,917	0.0222%	396,349
King George County	3,980,199	0.2394%	4,264,602
King William County	1,933,431	0.1163%	2,071,583
Lancaster County	2,616,636	0.1574%	2,803,607
Lee County	1,866,364	0.1122%	1,999,725
Loudoun County	109,126,594	6.5624%	116,924,188
Louisa County	5,960,260	0.3584%	6,386,148
Lunenburg County	698,833	0.0420%	748,767
Madison County	1,569,577	0.0944%	1,681,731
Mathews County	830,598	0.0499%	889,948
Mecklenburg County	7,574,676	0.4555%	8,115,921
Middlesex County	1,632,467	0.0982%	1,749,114
Montgomery County	17,059,879	1.0259%	18,278,886
Nelson County	2,044,022	0.1229%	2,190,076
New Kent County	3,034,685	0.1825%	3,251,527
Northampton County	2,488,922	0.1497%	2,666,767
Northumberland County	1,199,362	0.0721%	1,285,062
Nottoway County	2,139,911	0.1287%	2,292,818
Orange County	5,688,663	0.3421%	6,095,144
Page County	2,965,586	0.1783%	3,177,490
Patrick County	1,708,334	0.1027%	1,830,402
Pittsylvania County	3,943,935	0.2372%	4,225,747
Powhatan County	4,988,104	0.3000%	5,344,527
Prince Edward County	4,225,520	0.2541%	4,527,452
Prince George County	4,341,216	0.2611%	4,651,415
Prince William County	88,253,595	5.3072%	94,559,718
Pulaski County	5,225,983	0.3143%	5,599,404
Rappahannock County	1,001,986	0.0603%	1,073,582
Richmond County	1,659,469	0.0998%	1,778,045
Roanoke County	15,175,481	0.9126%	16,259,838
Rockbridge County	3,891,648	0.2340%	4,169,724
Rockingham County	10,988,005	0.6608%	11,773,148
Russell County	2,422,492	0.1457%	2,595,590

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Locality	(\$)	% of State	
Scott County	2,046,791	0.1231%	2,193,043
Shenandoah County	5,890,779	0.3542%	6,311,702
Smyth County	3,149,963	0.1894%	3,375,042
Southampton County	1,042,942	0.0627%	1,117,465
Spotsylvania County	27,416,075	1.6487%	29,375,079
Stafford County	22,514,339	1.3539%	24,123,092
Surry County	964,063	0.0580%	1,032,950
Sussex County	1,294,571	0.0779%	1,387,074
Tazewell County	7,073,317	0.4254%	7,578,738
Warren County	7,062,818	0.4247%	7,567,488
Washington County	9,960,013	0.5990%	10,671,701
Westmoreland County	1,728,444	0.1039%	1,851,949
Wise County	3,880,351	0.2333%	4,157,620
Wythe County	5,845,792	0.3515%	6,263,501
York County	13,579,898	0.8166%	14,550,243
<b>Cities</b>			
Alexandria City	35,871,704	2.1572%	38,434,901
Bristol City	5,054,703	0.3040%	5,415,884
Buena Vista City	524,432	0.0315%	561,905
Charlottesville City	14,236,024	0.8561%	15,253,253
Chesapeake City	54,669,045	3.2876%	58,575,399
Colonial Heights City	9,376,227	0.5638%	10,046,201
Covington City	1,642,527	0.0988%	1,759,893
Danville City	10,882,534	0.6544%	11,660,141
Emporia City	3,323,198	0.1998%	3,560,656
Fairfax City	12,864,230	0.7736%	13,783,439
Falls Church City	6,248,178	0.3757%	6,694,639
Franklin City	2,165,447	0.1302%	2,320,178
Fredericksburg City	15,237,156	0.9163%	16,325,921
Galax City	2,913,386	0.1752%	3,121,561
Hampton City	20,837,770	1.2531%	22,326,725
Harrisonburg City	17,611,248	1.0591%	18,869,652
Hopewell City	2,534,562	0.1524%	2,715,668
Lexington City	1,365,386	0.0821%	1,462,949
Lynchburg City	20,473,942	1.2312%	21,936,899
Manassas City	11,494,944	0.6913%	12,316,311
Manassas Park City	3,102,547	0.1866%	3,324,238
Martinsville City	2,766,037	0.1663%	2,963,683
Newport News City	32,705,425	1.9668%	35,042,377

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<b>Locality</b>	<b>(\$) % of State</b>		
Norfolk City	42,433,404	2.5518%	45,465,465
Norton City	1,881,605	0.1132%	2,016,054
Petersburg City	4,849,299	0.2916%	5,195,804
Poquoson City	1,025,720	0.0617%	1,099,012
Portsmouth City	10,487,136	0.6307%	11,236,490
Radford City	1,471,749	0.0885%	1,576,912
Richmond City	44,689,387	2.6874%	47,882,649
Roanoke City	26,219,330	1.5767%	28,092,822
Salem City	8,951,467	0.5383%	9,591,090
Staunton City	5,386,655	0.3239%	5,771,556
Suffolk City	16,251,099	0.9773%	17,412,314
Virginia Beach City	87,389,211	5.2552%	93,633,570
Waynesboro City	6,783,527	0.4079%	7,268,241
Williamsburg City	4,970,181	0.2989%	5,325,323
Winchester City	11,990,439	0.7211%	12,847,210
<b><i>*Includes Bedford City.</i></b>			