



# Albemarle County

## Legislation Text

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**File #:** 16-420, **Version:** 1

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**AGENDA DATE:** 7/6/2016

**TITLE:**

Vehicle License Ordinance Amendment

**SUBJECT/PROPOSAL/REQUEST:** Public Hearing to Consider Proposed Vehicle License Ordinance Amendment

**ITEM TYPE:** Regular Action Item

**STAFF CONTACT(S):** Foley, Letteri, Kamptner, Herrick, Burrell, Lamb

**PRESENTER (S):** Betty Burrell

**LEGAL REVIEW:** Yes

**REVIEWED BY:** Thomas C. Foley

**BACKGROUND:** Upon review of the County's vehicle license ordinance, the Finance Department is recommending updates and improvements to four sections of Chapter 9 (Motor Vehicles and Traffic) of the Albemarle County Code. These proposed revisions are intended both to improve the County's collection practices and to align the County Code with current State law.

**STRATEGIC PLAN:** Goal 4: Economic Prosperity -- Foster an environment that stimulates diversified job creation, capital investments, and tax revenues that support community goals

**DISCUSSION:** The attached proposed ordinance (Attachment A) would amend four sections of Chapter 9 (Motor Vehicles and Traffic) of the Albemarle County Code.

1. Sec. 9-401 - Vehicle License - registration deadline - Would impose a \$250 penalty annually on out-of-state vehicles not registered in Virginia within 30 days of residency, as enabled by *Virginia Code* § 46.2-662(B). The provision to impose the fee on an annual basis was added after the Board's initial review of a draft ordinance on June 1 as enabled by *Virginia Code* § 46.2-662(B).

- Purpose: To ensure that new residents timely register their vehicles and begin paying their fair share of taxes. The Virginia Department of Motor Vehicles already requires registration of vehicles garaged in Virginia for more than 30 days.

- Consequence: Would penalize owners of vehicles with out of state license plates if not registered in Virginia within 30 days of a change in residency.

2. Sec. 9-404 - Vehicle License Tax - Would update the various County vehicle license fee amounts in accordance with the adopted FY17 County budget.

- Purpose: To codify the County vehicle license fee amounts approved in the County's adopted FY17 budget.

- Consequence: Owners of certain vehicles would pay different fee amounts for their County vehicle license, depending on their gross vehicle weight or the gross weight of trailers and semi-trailers, consistent with the County's adopted FY17 budget.

3. Sec. 9-405 - Vehicle License Tax - proration - Would: (a) allow the monthly proration of the vehicle license tax for previously registered vehicles; (b) eliminate the rounding of a prorated vehicle license tax to the nearest

dollar; and (c) eliminate a minimum prorated vehicle license tax of \$2. These proposed amendments are system driven. The current regulation requires manual computation and adjustment entry in the current system, which is not programmed to round a prorated vehicle license tax to the nearest dollar.

- Purpose: Albemarle County is the only jurisdiction in Virginia served by the Revenue Administration System vendor that manually pro-rates vehicle license fees in the current manner. Vendor customization(s) for Albemarle's unique provisions would be more costly than any revenue that might otherwise be generated.

- Consequence: Though some taxpayers may pay slightly more or slightly less in vehicle license taxes, staff does not expect a significant impact.

4. Sec. 9-406 - Vehicle License Tax - refunds - Would: (a) eliminate the rounding of prorated vehicle license tax refunds to the nearest dollar; and (b) eliminate the minimum prorated vehicle license tax refund of \$2. These proposed amendments are also system driven. The current regulation requires manual computation and adjustment entry in the current system, which is not programmed to round vehicle license tax refunds to the nearest dollar.

- Purpose: Albemarle County is the only jurisdiction in Virginia served by the County's Revenue Administration System vendor that manually pro-rates vehicle license tax refunds in the current manner. Vendor customization(s) for Albemarle's unique provisions would be more costly than any revenue that might otherwise be generated.

- Consequence: County staff does not expect a significant impact from this proposed amendment.

**BUDGET IMPACT:** Though the budgetary impact of these proposed amendments is difficult to predict with any certainty, staff anticipates that only one of the proposed revisions would have a budget impact. Staff projects that updating the various County vehicle license fee amounts (§ 9-404) would result in a \$250,000 revenue gain in FY17, as reflected in the adopted FY17 budget. Staff does not anticipate a significant budget impact from any of the other proposed revisions.

**RECOMMENDATION:**

Following the public hearing, staff recommends that the Board adopt the attached proposed ordinance (Attachment A).

**ATTACHMENTS:**

A - Proposed Ordinance - Chapter 9 (Motor Vehicles and Traffic)