



# Albemarle County

## Legislation Details (With Text)

<b>File #:</b>	24-238	<b>Version:</b>	1	<b>Name:</b>	
<b>Type:</b>	Ordinance	<b>Status:</b>		Public Hearing	
<b>File created:</b>	4/3/2024	<b>In control:</b>		Board of Supervisors	
<b>On agenda:</b>	4/24/2024	<b>Final action:</b>			
<b>Title:</b>	Public Hearing to Consider the Adoption of Ordinance to Amend County Code Chapter 15, Taxation related to Article 9, Transient Occupancy Tax. To receive public comment on its intent to adopt an ordinance to amend County Code Chapter 15, Taxation. The proposed ordinance would amend County Code § 15-901, Transient occupancy tax imposed; amount, to increase the tax from eight percent to nine percent of the amount charged for the use or possession of rooms or spaces in hotels, motels, boarding houses, travel campgrounds, and other facilities offering guest rooms, as enabled by Virginia Code §§ 58.1-3819 and 58.1-3826, to be effective on and after July 1, 2024.				

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Att.A - Proposed Transient Occupancy Tax Ordinance

Date	Ver.	Action By	Action	Result
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**AGENDA DATE:** 4/24/2024

**TITLE:**

Public Hearing to Consider the Adoption of Ordinance to Amend County Code Chapter 15, Taxation related to Article 9, Transient Occupancy Tax

**SUBJECT/PROPOSAL/REQUEST:** Public hearing to consider the adoption of an ordinance to amend County Code Chapter 15, Taxation related to Article 9, Transient Occupancy Tax

**ITEM TYPE:** Regular Action Item

**STAFF CONTACT(S):** Richardson, Rosenberg, Bessette, Sumner, Bowman, Matheny, Wilson

**PRESENTER (S):** Andy Bowman

**LEGAL REVIEW:** Yes

**REVIEWED BY:** Jeffrey B. Richardson

**BACKGROUND:** During the 2020 General Assembly session, Virginia counties were granted authority in Virginia Code § 58.1-3819 to increase the taxation amount for the transient occupancy. Under the legislation, the limit on the transient occupancy tax was removed.

**STRATEGIC PLAN:** Mission - To enhance the well-being and quality of life for all community members through the provision of the highest level of public service consistent with the prudent use of public funds.

**DISCUSSION:** Attachment A provides a summary of the proposed amendment to County Code Chapter 15,

Taxation, regarding transient occupancy tax. The proposal would increase the rate from 8% to 9%, effective July 1, 2024. Pursuant to direction at the Board of Supervisors' March 25 budget work session, a public hearing would be planned for April 24, 2024 and action requested on May 1, 2024.

**BUDGET IMPACT:** The proposed ordinance is projected to generate \$871,992 in revenue for FY 25. Pending Board of Supervisors adoption and appropriation, the funding would be allocated according to the County's Allocation of Shared Revenue as defined in the Board of Supervisor's Financial Management Policies, which would be as follows:

- a) 10% or \$87,199 to the Debt and Capital Funds
- b) 54% or \$470,876 to the Public School Operations Fund
- c) 36% or \$313,917 to the General Fund for County Government Operations

This budget impact is included in the Board of Supervisors' FY 25 Proposed Budget. The FY 25 Budget is scheduled for adoption and appropriation on May 1, 2024, after a series of public hearings and engagement.

**RECOMMENDATION:**

Staff recommends that the Board hold the public hearing and defer action until May 1, 2024, at which time the Board will consider the attached proposed ordinance (Attachment A).

**ATTACHMENTS:**

A - Proposed Transient Occupancy Tax Ordinance