

**REPORT OF THE  
DEPARTMENT OF TAXATION**

**Study to Determine  
the Cost of Exempting  
Farm Machinery and Livestock  
from Local Property Taxation**

**TO THE GOVERNOR AND  
THE GENERAL ASSEMBLY OF VIRGINIA**



**House Document No. 7**

**COMMONWEALTH OF VIRGINIA  
RICHMOND  
1988**

**STUDY TO DETERMINE THE COST OF  
EXEMPTING  
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FROM  
LOCAL PROPERTY TAXATION**

**Prepared by:  
Department of Taxation  
Property Tax Division  
October, 1987**

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## PURPOSE

The purpose of this document is to report the costs to exempt farm machinery and livestock from the local personal property tax to the Virginia General Assembly as requested by 1987 House Joint Resolution No. 316.

## METHODOLOGY

In order to gather the necessary information, a questionnaire was sent to each commissioner of the revenue, Director of Finance or Supervisor of Assessments. This questionnaire asked if the locality taxed either farm machinery or farm livestock. If the answer to either of these questions was yes, the assessed value, tax rate, and amount of tax revenue was requested. The questionnaire asked that the information be for the 1986 tax year.

This information was compiled for each locality and statewide totals for assessed value and tax revenue were accumulated. In addition a table was created indicating the total assessed value and tax revenue from all property taxes, real estate taxes, the real estate tax rate, and the increase in the real estate tax rate required to replace the revenue which would be lost by the statewide exemption of farm machinery and livestock.

## RESULTS OF THE SURVEY

Sixty-one localities tax farm machinery and twenty-eight localities tax farm livestock. Of the sixty-one localities that tax either farm machinery or livestock eighteen provide for a lower tax rate on one or both of these classes than the tax rate on other tangible personal property. Only twenty-six localities tax both farm machinery and farm livestock at the same tax rates as other tangible personal property.

The total revenue assessed by these sixty-one localities is \$2,871,654. The revenue generated by this source ranges from \$245,278 in Shenandoah County to \$101 in Buchanan County. This information for all localities is found in Table 1.

Whenever the tax base is reduced additional revenue must be raised from some source. To identify the magnitude of this problem Table 2 sets out the total assessed value and tax levies on all locally taxable personal property, the assessed value and tax levies on real estate alone and the additional real estate tax rate necessary to raise the necessary revenue to offset the loss in revenue due to the elimination of the tax on farm machinery and livestock. Since the total personal property includes several classes of property which may be taxed at different rates the same calculation cannot be made for personal property.

Table 3 expresses the revenue derived from the local property tax on farm machinery and livestock as a percentage of real estate tax revenue in counties. This table is in order by percentage. The largest percentage is in Southampton County with the revenue from this source being equal to ten percent of the real estate revenue.

Table 4 has the same information as Table 3 except that the Counties are listed alphabetically.

Notes on the returned questionnaires indicate that several localities have either changed their policies on the assessment of these items for 1987 or plan to in the future. Carroll County began phasing out the tax on farm machinery and livestock in 1987 and Patrick County plans to phase out these taxes in 1988. Dinwiddie County has eliminated this tax completely for 1987. On the other hand Rockingham County has increased its staff and believes strict enforcement of existing policies will result in a significant increase in assessed value.

TABLE 1. Assessed Value of Farm Machinery and Livestock and Local Tax Rates, by Locality .

COUNTIES	Assess Farm Machinery		Assess Farm Livestock		ASSESSED VALUE				Tax Rate on Other TFP	COUNTIES	
	Yes	No	Yes	No	Farm Machinery	Farm Livestock	Total	Tax Rate			Tax
								per \$100			
Accomack	x			x	1,918,770		1,918,770	\$3.25	\$62,360.03	\$3.25	Accomack
Albemarle		x		x			0			4.40	Albemarle
Alleghany	x		x		43,885	46,920	90,805	5.95	\$5,402.90	5.95	Alleghany
Amelia	x			x	4,609,614		4,609,614	1.50	\$69,144.39	2.60	Amelia
Amherst		x		x			0			5.00	Amherst
Appomattox		x		x			0			3.50	Appomattox
Arlington		x		x			0			4.50	Arlington
Augusta	x			x	3,426,190		3,426,190	3.10	\$106,211.89	3.10	Augusta
Bath		x		x			0			0.75	Bath
Bedford		x		x			0			4.40	Bedford
Bland	x		x		904,100	739,700	1,643,800	0.73	\$11,999.74	7.30	Bland
Botetourt	x			x	643,210		643,210	6.00	\$38,592.60	6.00	Botetourt
Brunswick	x		x		3,096,230	280,000	3,376,230	1.90	\$64,148.00	4.60	Brunswick
Buchanan	x			x	5,200		5,200	1.95	\$101.40	1.95	Buchanan
Buckingham		x		x			0			2.90	Buckingham
Campbell	x			x	3,590,080		3,590,080	3.15	\$113,087.52	3.15	Campbell
Caroline	x		x		1,046,940	111,590	1,158,530	4.00	\$46,341.20	4.00	Caroline
Carroll (3)	x		x		2,311,105	1,780,625	4,091,730	3.00	\$122,751.90	3.00	Carroll
Charles City	x		x		805,100	126,200	931,300	3.78	\$34,903.14 (2)	3.78	Charles City
Charlotte	x		x		462,140	325,480	787,620	4.20	\$33,080.04	4.20	Charlotte
Chesterfield		x		x			0			3.60	Chesterfield
Clarke	x			x	772,528		772,528	4.00	\$30,901.00	4.00	Clarke
Craig		x		x			0			5.50	Craig
Culpeper		x		x			0			5.00	Culpeper
Cumberland	x		x		798,490	24,600	823,090	5.20	\$42,808.68	5.20	Cumberland
Dickenson		x		x			0			23.80	Dickenson
Dinwiddie (5)	x			x	2,727,035		2,727,035	1.50	\$40,905.61	5.00	Dinwiddie
Essex	x		x		925,280	49,170	974,450	3.50	\$34,105.75	3.50	Essex
Fairfax		x		x			0			4.80	Fairfax
Fauquier		x		x			0			3.45	Fauquier
Floyd		x		x			0			1.25	Floyd

TABLE 1. Assessed Value of Farm Machinery and Livestock and Local Tax Rates, by Locality .

COUNTIES	Assess Farm Machinery		Assess Farm Livestock		ASSESSED VALUE				Tax Rate on Other TPP	COUNTIES	
	Yes	No	Yes	No	Farm Machinery	Farm Livestock	Total	Tax Rate per \$100			Tax
Fluvanna		x		x				0		\$3.70	Fluvanna
Franklin		x		x				0		6.50	Franklin
Frederick		x		x				0		4.35	Frederick
Giles	x			x	350,000		350,000	7.00	\$24,500.00 (2)	7.00	Giles
Gloucester	x		x		860,328	113,970	974,298	3.25	\$31,664.68	3.25	Gloucester
Goochland		x		x				0		4.00	Goochland
Grayson	x			x	125,030		125,030	6.70	\$8,377.01	6.70	Grayson
Greene		x		x				0		16.50	Greene
Greensville	x		x		2,376,835	251,020	2,627,855	2.00	\$52,557.10	4.50	Greensville
Halifax	x			x	2,137,660		2,137,660	5.95	\$127,190.77	5.95	Halifax
Hanover		x		x				0		3.64	Hanover
Henrico		x		x				0		3.60	Henrico
Henry	x		x				457,230	6.99	\$31,960.37	6.99	Henry
Highland	x		x		206,995	425,266	632,261	4.00	\$25,290.44	4.00	Highland
Isle of Wight	x			x	11,151,715		11,151,715	0.84	\$93,673.50	4.50	Isle of Wigh
James City		x		x				0		4.00	James City
King George	x		x		503,300	89,740	593,040	2.00	\$11,860.80	2.90	King George
King & Queen	x		x		3,282,955	293,680	3,576,635	0.82	\$29,328.00	1.25	King & Queen
King William	x		x		564,015	328,860	892,875	4.20	\$37,688.63	4.20	King William
Lancaster	x		x		219,700	13,565	233,265	3.80	\$8,864.60	3.80	Lancaster
Lee		x		x				0		1.25	Lee
Loudoun		x		x				0		4.40	Loudoun
Louisa		x		x				0		3.40	Louisa
Lunenburg	x			x	900,950		900,950	7.00	\$63,066.50	7.00	Lunenburg
Madison	x			x	1,610,560		1,610,560	6.50	\$104,686.40	6.50	Madison
Mathews	x		x		90,070	15,190	105,260	3.25	\$3,420.94	3.45	Mathews
Mecklenburg		x		x				0		4.25	Mecklenburg
Middlesex	x		x		513,700	55,200	568,900	3.00	\$17,067.00	3.00	Middlesex
Montgomery		x		x				0		7.57	Montgomery
Nelson		x		x				0		2.50	Nelson
New Kent		x		x				0		7.90	New Kent
Northampton	x			x	3,723,700		3,723,700	2.50	\$93,092.50	2.50	Northampton



TABLE 1. Assessed Value of Farm Machinery and Livestock and Local Tax Rates, by County.

COUNTIES	Assess Farm Machinery		Assess Farm Livestock		ASSESSED VALUE			Tax Rate on Other TPP	COUNTIES		
	Yes	No	Yes	No	Farm Machinery	Farm Livestock	Total			Tax Rate per \$100	Tax
Northumberland	x		x		656,845	17,125	674,090	\$3.00	\$20,222.70	\$3.00 Northumberland	
Nottoway	x			x	1,670,853		1,670,853	2.65	\$44,277.60	2.65 Nottoway	
Orange	x			x	300,000 (2)		300,000	5.50	\$16,500.00 (2)	5.50 Orange	
Page	x			x	4,860,925		4,860,925	0.30	\$14,580.74	1.50 Page	
Patrick (4)	x		x		1,603,246	1,144,333	2,747,579	4.00	\$109,903.00	4.00 Patrick	
Pittsylvania		x		x			0			4.25 Pittsylvania	
Powhatan		x		x			0			2.00 Powhatan	
Prince Edward		x		x			0			4.90 Prince Edward	
Prince George		x		x			0			3.50 Prince George	
Prince William	x			x	1,532,380		1,532,380	0.70	\$10,726.66	3.95 Prince William	
Pulaski (5)	x			x	670,790		670,790	4.80	\$32,197.92	4.80 Pulaski	
Rappahannock		x		x			0			2.10 Rappahannock	
Richmond	x		x		1,091,750	66,180	1,157,930	3.50	\$40,527.55	3.50 Richmond	
Roanoke		x		x			0			3.50 Roanoke	
Rockbridge	x			x	1,700,000		1,700,000	4.50	\$76,500.00	4.50 Rockbridge	
Rockingham	x			x	28,763,940		28,763,940	0.20	\$57,527.88	2.00 Rockingham	
Russell		x		x			0			1.20 Russell	
Scott		x		x			0			0.72 Scott	
Shenandoah	x		x				18,303,300	1.34	\$245,277.62	1.84 Shenandoah	
Smyth	x		x		2,229,800	3,233,775	5,463,575	0.60	\$32,781.45	0.60 Smyth	
Southampton	x		x		8,497,870	238,500	8,736,370 (8)		\$204,991.00	4.00 Southampton	
Spotsylvania		x		x			0			2.50 Spotsylvania	
Stafford		x		x			0			4.99 Stafford	
Surry		x		x			0			3.50 Surry	
Sussex	x		x		524,754	159,985	684,739	4.75	\$32,525.11	4.75 Sussex	
Tazewell		x		x			0			2.00 Tazewell	
Warren		x		x			0			2.40 Warren	
Washington	x		x		325,000	200,000	525,000	1.12	\$58,800.00	1.12 Washington	
Westmoreland	x		x		4,124,580	675,400	4,799,980	(1)	\$61,688.63	1.50 Westmoreland	
Wise	x		x		213,480	28,600	242,080	4.60	\$11,135.68	4.60 Wise	
Wythe		x		x			0			1.00 Wythe	
York	x		x		25,120		25,120	4.20	\$1,055.04	4.20 York	

TABLE 1. Assessed Value of Farm Machinery and Livestock and Local Tax Rates, by Locality .

CITIES	Assess Farm Machinery		Assess Farm Livestock		ASSESSED VALUE				Tax Rate on Other TPP	CITIES	
	Yes	No	Yes	No	Farm Machinery	Farm Livestock	Total	Tax Rate per \$100			Tax
	Alexandria		x		x			0			
Bedford	x		x		9,900	22,760	32,660	1.30	\$424.58	1.50	Bedford
Bristol		x		x			0			5.00	Bristol
Buena Vista		x		x			0			3.85	Buena Vista
Charlottesville		x		x			0			4.39	Charlottesville
Chesapeake	x		x				1,717,780	4.00	\$68,871.10 (7)	4.00	Chesapeake
Clifton Forge		x		x			0			3.35	Clifton Forge
Colonial Heights		x		x			0			3.50	Colonial Heights
Covington		x		x			0			4.56	Covington
Danville		x		x			0			3.00	Danville
Emporia		x		x			0			5.00	Emporia
Fairfax		x		x			0			2.99	Fairfax
Falls Church		x		x			0			5.50	Falls Church
Franklin	x		x		108,030	9,400	117,430	3.30	\$3,875.19	3.30	Franklin
Fredericksburg	x		x				10,150	2.99	\$303.50	2.99	Fredericksburg
Galax		x		x			0			7.07	Galax
Hampton		x		x			0			4.75	Hampton
Harrisonburg	x		x		298,100	51,200	349,300	1.50	\$5,268.00	1.50	Harrisonburg
Hopewell		x		x			0			4.40	Hopewell
Lexington		x		x			0			5.50	Lexington
Lynchburg		x		x			0			3.00	Lynchburg
Manassas		x		x			0			3.05	Manassas
Manassas Park		x		x			0			3.50	Manassas Park
Martinsville	x			x	4,400		4,400	2.25	\$99.00	2.25	Martinsville
Newport News	x		x		22,890	5,600	28,490	(6)	\$2,535.61	(6)	Newport News
Norfolk		x		x			0			4.00	Norfolk
Norton		x		x			0			1.85	Norton
Petersburg		x		x			0			3.10	Petersburg
Poquoson		x		x			0			4.50	Poquoson
Portsmouth		x		x			0			4.35	Portsmouth
Radford		x		x			0			2.80	Radford

TABLE 1. Assessed Value of Farm Machinery and Livestock and Local Tax Rates, by Local

CITIES	Assess Farm Machinery		Assess Farm Livestock		ASSESSED VALUE			Tax Rate per \$100	Tax	Tax Rate on Other TPP	CITIES
	Yes	No	Yes	No	Farm Machinery	Farm Livestock	Total				
	Richmond	x		x		0	0	0		\$0.00	\$3.59
Roanoke	x		x		0	0	0		\$0.00	3.45	Roanoke
Salem		x		x			0			3.20	Salem
South Boston		x		x			0			2.75	South Boston
Staunton		x		x			0			5.00	Staunton
Suffolk	x		x		983,736	166,550	1,150,286	6.30	\$72,468.00 (2)	6.30	Suffolk
Virginia Beach	x			x	2,545,493		2,545,493	1.00	\$25,454.93	6.00	Virginia Beach
Waynesboro		x		x			0			5.00	Waynesboro
Williamsburg		x		x			0			3.50	Williamsburg
Winchester		x		x			0			3.50	Winchester

	ASSESSED VALUE			TAX LEVIES
	Farm Machinery	Farm Livestock	Total	
TOTAL COUNTIES	115,494,863	10,834,674	145,090,067	\$2,692,353.61
TOTAL CITIES	3,972,549	255,510	5,955,989	\$179,299.91
TOTAL COUNTIES AND CITIES	119,467,412	11,090,184	151,046,056	\$2,871,653.52

NOTES:

1- Westmoreland County tax rates: Farm Machinery - \$1.25/\$100  
Farm Animals - \$1.50/\$100

2- Estimated

3- Being phased out beginning in 1987

4- Plan to phase out beginning in 1988

5- Eliminated effective 1987

6- Tax rate for 1st half '86 \$4.50, 2nd half \$4.40

7- Additional \$0.08 tax rate in mosquito control districts

8- Tax rate on farm machinery \$2.30/100, farm animals \$4.00/100

Table 2. Increase in Local Real Estate Tax Rates Necessary to Offset the Loss in Revenue Resulting From the Exemption of Farm Machinery and Livestock from Local Property Taxation.

Counties	Total Local Personal Property Assessed Value	Total Local Personal Property Levies	Farm Machinery & Livestock		Real Estate			Req. R.E. Tax Rate Inc.	Counties
			Value	Levies	Taxable Value	Tax Rate	Levies		
Accomack	143,170,526	\$2,938,839.80	1,918,770	\$62,360.03	\$653,064,260	0.64	\$4,194,157.73	0.01	Accomack
Albemarle	279,331,901	\$7,914,943.49			2,050,323,400	0.77	15,787,490.18	0.00	Albemarle
Alleghany	65,259,967	\$2,253,450.74	90,805	\$5,402.90	256,601,570	0.68	1,744,890.89	0.00	Alleghany
Amelia	42,193,551	\$679,721.96	4,609,614	\$69,144.39	213,544,630	0.57	1,217,204.39	0.03	Amelia
Amherst	75,655,077	\$1,686,439.70			440,402,005	0.63	2,774,539.67	0.00	Amherst
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Appomattox	60,125,071	\$888,791.81			208,633,500	0.63	1,314,391.05	0.00	Appomattox
Arlington	1,090,299,937	\$30,845,500.58			10,238,487,700	0.94	96,241,784.38	0.00	Arlington
Augusta	191,362,331	\$3,484,578.68	3,426,190	\$106,211.89	1,189,149,180	0.58	6,897,065.25	0.01	Augusta
Bath	1,383,980,753	\$5,470,652.47			167,154,075	0.39	651,900.90	0.00	Bath
Bedford	181,094,669	\$2,688,641.47			886,835,355	0.61	5,409,699.67	0.00	Bedford
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Bland	11,731,503	\$218,199.95	1,643,800	\$11,999.74	89,405,960	0.75	670,544.70	0.01	Bland
Botetourt	110,883,169	\$2,701,731.18	643,210	\$38,592.60	481,796,030	0.75	3,613,474.94	0.01	Botetourt
Brunswick	61,875,478	\$1,270,930.19	3,376,230	\$64,148.00	320,734,359	0.46	1,475,378.63	0.02	Brunswick
Buchanan	269,079,770	\$4,048,382.36	5,200	\$101.40	930,902,200	0.55	5,119,962.10	0.00	Buchanan
Buckingham	70,918,616	\$777,489.68			283,417,500	0.41	1,162,011.75	0.00	Buckingham
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Campbell	254,498,845	\$4,505,114.53	3,590,080	\$113,087.52	853,829,770	0.45	3,842,238.00	0.01	Campbell
Caroline	75,537,652	\$1,610,800.23	1,158,530	\$46,341.20	374,669,480	0.64	2,397,885.00	0.01	Caroline
Carroll	72,854,234	\$1,102,806.18	4,091,730	\$122,751.90	509,712,300	0.425	2,166,330.82	0.02	Carroll
Charles City	29,482,740	\$708,136.50	931,300	\$34,903.14	141,023,724	1.15	1,621,772.83	0.02	Charles City
Charlotte	49,658,143	\$701,597.34	787,620	\$33,080.04	230,046,010	0.50	1,150,230.05	0.01	Charlotte

**Table 2. Increase in Local Real Estate Tax Rates Necessary to Offset the Loss in Revenue  
Resulting From the Exemption of Farm Machinery and Livestock from Local Property Taxation.**

Counties	Total Local Personal Property Assessed Value	Total Local Personal Property Levies	Farm Machinery & Livestock		Real Estate			Req. R.E. Tax Rate Inc.	Counties
			Value	Levies	Taxable Value	Tax Rate	Levies		
Chesterfield	1,317,793,578	\$26,777,130.65			4,909,328,752	1.04	51,057,019.00	0.00	Chesterfield
Clarke	46,388,570	\$1,188,834.55	772,528	\$30,901.00	352,336,500	0.70	2,466,355.50	0.01	Clarke
Craig	10,672,201	\$186,796.50			92,380,060	0.55	508,090.36	0.00	Craig
Culpeper	111,807,319	\$2,788,659.75			636,764,990	0.61	3,884,267.30	0.00	Culpeper
Cumberland	43,645,093	\$545,127.15	823,090	\$42,808.68	165,211,300	0.31	512,155.03	0.03	Cumberland
Dickenson	59,137,213	\$3,285,574.07			478,714,162	0.53	2,537,185.06	0.00	Dickenson
Dinwiddie	103,643,677	\$2,368,065.32	2,727,035	\$40,905.61	363,400,680	0.80	2,907,205.44	0.01	Dinwiddie
Essex	37,361,785	\$884,737.99	974,450	\$34,105.75	300,783,850	0.45	1,353,527.34	0.01	Essex
Fairfax	4,070,374,638	\$140,093,461.61			33,896,961,543	1.35	460,796,053.00	0.00	Fairfax
Fauquier	268,651,011	\$5,584,121.98			1,540,814,700	0.66	10,169,377.26	0.00	Fauquier
Floyd	43,698,301	\$431,690.02			245,017,760	0.65	1,592,615.45	0.00	Floyd
Fluvanna	123,640,947	\$1,325,907.54			279,740,565	0.55	1,538,578.33	0.00	Fluvanna
Franklin	95,239,511	\$1,717,185.77			833,142,864	0.50	4,165,708.90	0.00	Franklin
Frederick	202,045,714	\$5,528,131.98			887,193,586	0.63	5,589,318.82	0.00	Frederick
Giles	107,722,607	\$2,279,175.98	350,000	\$24,500.00	272,909,840	0.61	1,664,750.02	0.01	Giles
Gloucester	77,171,418	\$1,747,586.86	974,298	\$31,664.68	814,955,330	0.60	4,926,467.75	0.00	Gloucester
Goochland	67,998,292	\$1,680,577.68			383,343,810	0.72	2,760,075.42	0.00	Goochland
Grayson	24,502,404	\$385,442.79	125,030	\$8,377.01	285,478,700	0.51	1,451,064.69	0.00	Grayson
Greene	21,055,561	\$649,548.54			186,639,625	0.75	1,399,817.00	0.00	Greene
Greensville	56,606,550	\$1,257,033.33	2,627,855	\$52,557.10	208,871,160	0.45	939,920.35	0.03	Greensville

Table 2. Increase in Local Real Estate Tax Rates Necessary to Offset the Loss in Revenue  
Resulting From the Exemption of Farm Machinery and Livestock from Local Property Taxation.

Counties	Total Local Personal Property Assessed Value	Total Local Personal Property Levies	Farm Machinery & Livestock		Real Estate			Req. R.E. Tax Rate Inc.	Counties
			Value	Levies	Taxable Value	Tax Rate	Levies		
Halifax	99,477,207	\$1,846,653.50	2,137,660	\$127,190.77	514,804,040	0.36	1,853,294.54	0.02	Halifax
Hanover	331,328,550	\$8,755,329.77			1,379,958,300	0.67	9,195,165.05	0.00	Hanover
Henrico	1,061,423,767	\$28,425,869.00			5,668,761,125	0.98	55,584,392.22	0.00	Henrico
Henry	133,850,128	\$3,896,537.15	457,230	\$31,960.37	976,925,620	0.54	5,275,371.34	0.00	Henry
Highland	16,720,693	\$182,032.13	632,261	\$25,290.44	126,943,300	0.50	634,716.50	0.02	Highland
Isle of Wight	350,919,627	\$4,880,603.35	11,151,715	\$93,673.50	588,336,482	0.52	3,000,516.06	0.02	Isle of Wight
James City	209,220,208	\$6,184,114.10			1,172,095,235	0.69	8,087,457.12	0.00	James City
King George	52,353,115	\$1,032,053.39	593,040	\$11,860.80	236,090,600	0.88	2,077,597.36	0.01	King George
King & Queen	36,059,436	\$372,045.12	3,576,635	\$29,328.00	154,263,580	0.82	1,264,963.12	0.02	King & Queen
King William	72,546,648	\$1,239,652.79	892,875	\$37,688.63	232,585,200	0.82	1,453,047.04	0.02	King William
Lancaster	47,792,223	\$893,647.38	233,265	\$8,864.60	\$455,562,400	0.39	\$1,776,693.36	0.00	Lancaster
Lee	82,230,395	\$1,186,092.25			388,110,420	0.55	2,134,607.82	0.00	Lee
Loudoun	420,947,106	\$11,432,145.50			3,229,086,660	1.02	32,936,684.39	0.00	Loudoun
Louisa	1,594,271,099	\$6,856,962.89			451,084,010	0.40	1,804,336.04	0.00	Louisa
Lunenburg	34,837,078	\$811,705.98	900,950	\$63,066.50	251,641,600	0.57	1,434,357.12	0.03	Lunenburg
Madison	26,699,036	\$693,350.48	1,610,560	\$104,686.40	272,141,810	0.71	1,932,206.86	0.04	Madison
Mathews	34,033,848	\$650,796.74	105,260	\$3,420.94	271,429,910	0.55	1,492,864.66	0.00	Mathews
Mecklenburg	105,108,537	\$1,695,436.80			565,868,800	0.42	2,376,648.96	0.00	Mecklenburg
Middlesex	45,409,771	\$797,127.75	568,900	\$17,067.00	326,138,380	0.39	1,271,940.82	0.01	Middlesex
Montgomery	136,840,127	\$3,523,749.34			1,054,755,650	0.74	7,805,191.81	0.00	Montgomery

Table 2. Increase in Local Real Estate Tax Rates Necessary to Offset the Loss in Revenue  
Resulting From the Exemption of Farm Machinery and Livestock from Local Property Taxation.

Counties	Total Local Personal Property Assessed Value	Total Local Personal Property Levies	Farm Machinery & Livestock		Real Estate			Req. R.E. Tax Rate Inc.	Counties
			Value	Levies	Taxable Value	Tax Rate	Levies		
Nelson	66,355,022	\$839,913.83			484,945,315	0.59	2,861,177.36	0.00	Nelson
New Kent	55,871,430	\$1,110,435.43			297,008,100	0.88	2,613,671.28	0.00	New Kent
Northampton	58,785,074	\$1,011,672.07	3,723,700	\$93,092.50	262,521,200	0.77	2,010,160.04	0.04	Northampton
Northumberland	37,591,113	\$648,228.20	674,090	\$20,222.70	404,911,863	0.50	2,024,559.35	0.00	Northumberland
Nottoway	81,260,165	\$1,038,265.85	1,670,853	\$44,277.60	258,610,773	0.44	1,137,887.29	0.02	Nottoway
Orange	113,156,673	\$2,230,906.09	300,000	\$16,500.00	531,063,200	0.60	3,186,379.20	0.00	Orange
Page	82,776,563	\$871,123.63	4,860,925	\$14,580.74	377,389,978	0.53	2,000,166.88	0.00	Page
Patrick	45,770,494	\$966,718.86	2,747,579	\$109,903.00	353,439,300	0.43	1,519,790.00	0.03	Patrick
Pittsylvania	233,311,498	\$3,087,883.51			1,055,043,300	0.35	3,692,660.15	0.00	Pittsylvania
Powhatan	57,129,805	\$775,375.48			299,575,022	0.76	2,276,770.22	0.00	Powhatan
Prince Edward	69,763,983	\$895,444.07			246,561,450	0.49	1,208,151.11	0.00	Prince Edward
Prince George	85,654,783	\$1,856,376.93			380,105,257	0.78	2,964,821.52	0.00	Prince George
Prince William	980,826,812	\$25,894,141.55	1,532,380	\$10,726.66	5,114,645,100	1.42	76,045,501.36	0.00	Prince William
Pulaski	101,555,442	\$2,256,464.38	670,790	\$32,197.92	660,636,290	0.50	3,303,181.45	0.00	Pulaski
Rappahannock	24,595,731	\$353,945.96			212,494,600	0.58	1,232,468.68	0.00	Rappahannock
Richmond	36,332,971	\$760,701.65	1,157,930	\$40,527.55	159,082,566	0.60	954,495.40	0.03	Richmond
Roanoke	307,440,289	\$8,562,383.09			1,870,415,940	1.15	21,509,945.18	0.00	Roanoke
Rockbridge	91,065,387	\$1,776,688.15	1,700,000	\$76,500.00	395,888,360	0.50	1,979,441.80	0.02	Rockbridge
Rockingham	340,826,902	\$3,939,011.48	28,763,940	\$57,527.88	1,280,605,950	0.51	6,531,090.35	0.00	Rockingham
Russell	258,753,235	\$2,332,603.32			394,908,368	0.65	2,566,904.36	0.00	Russell

Table 2. Increase in Local Real Estate Tax Rates Necessary to Offset the Loss in Revenue Resulting From the Exemption of Farm Machinery and Livestock from Local Property Taxation.

Counties	Total Local Personal Property Assessed Value	Total Local Personal Property Levies	Farm Machinery & Livestock		Real Estate			Req. R.E. Tax Rate Inc.	Counties
			Value	Levies	Taxable Value	Tax Rate	Levies		
Scott	89,720,180	\$596,490.93			334,473,501	0.58	1,939,946.30	0.00	Scott
Shenandoah	201,199,512	\$2,675,308.51	18,304,300	\$245,277.62	777,569,300	0.55	4,276,631.15	0.03	Shenandoah
Smyth	192,786,841	\$1,101,275.54	5,463,575	\$32,781.45	524,048,370	0.50	2,620,241.00	0.01	Smyth
Southampton	92,706,652	\$2,000,112.84	8,736,370	\$204,991.00	505,286,700	0.37	1,869,560.79	0.04	Southampton
Spotsylvania	223,627,082	\$3,075,048.18			1,043,149,836	0.70	7,302,050.69	0.00	Spotsylvania
Stafford	166,986,407	\$3,867,321.50			1,090,798,525	1.20	13,089,582.30	0.00	Stafford
Surry	895,002,541	\$4,536,946.80			228,028,310	0.40	912,113.24	0.00	Surry
Sussex	60,467,179	\$1,410,386.66	684,739	\$32,525.11	246,739,185	0.51	1,258,373.89	0.01	Sussex
Tazewell	221,933,405	\$3,863,178.56			845,043,516	0.56	4,732,243.62	0.00	Tazewell
Warren	119,820,694	\$2,112,241.64			562,931,400	0.46	2,589,484.44	0.00	Warren
Washington	217,169,640	\$2,133,462.63	525,000	\$58,800.00	863,140,690	0.61	5,265,160.94	0.01	Washington
Westmoreland	78,226,964	\$951,871.02	4,759,980	\$61,688.63	369,792,562	0.72	2,662,507.30	0.02	Westmoreland
Wise	202,682,137	\$3,690,465.95	242,080	\$11,135.68	803,067,849	0.285	2,288,791.69	0.00	Wise
Wythe	192,652,220	\$1,461,803.40			473,585,301	0.44	2,083,775.54	0.00	Wythe
York	464,972,924	\$5,945,265.72	25,120	\$1,055.04	1,260,536,100	0.58	7,185,055.77	0.00	York
<b>Total Counties</b>	<b>22,848,996,672</b>	<b>\$463,186,907.72</b>	<b>145,091,067</b>	<b>\$2,692,353.61</b>	<b>\$110,938,348,984</b>		<b>\$1,066,759,298.78</b>		<b>Total Counties</b>



**Table 2. Increase in Local Real Estate Tax Rates Necessary to Offset the Loss in Revenue  
Resulting From the Exemption of Farm Machinery and Livestock from Local Property Taxation.**

Cities	Total Local Personal Property Assessed Value	Total Local Personal Property Levies	Farm Machinery & Livestock		Taxable Value	Real Estate		Req. R.E. Tax Rate Inc.	Cities
			Value	Levies		Tax Rate	Levies		
Alexandria	799,313,800	\$23,107,016.35			\$5,851,683,254	1.38	\$80,838,950.08	0.00	Alexandria
Bedford	43,608,937	\$565,114.74	32,660	\$424.58	128,099,900	0.79	1,011,989.21	0.00	Bedford
Bristol	31,671,006	\$1,183,637.89			379,454,583	1.08	4,098,109.61	0.00	Bristol
Buena Vista	19,511,942	\$550,179.42			96,205,300	0.92	885,082.44	0.00	Buena Vista
Charlottesville	146,458,700	\$3,992,865.95			1,026,339,200	1.13	11,597,632.96	0.00	Charlottesville
Chesapeake	723,827,161	\$16,382,770.56	1,717,780	\$68,871.10	3,414,993,998	1.02	35,471,415.54	0.00	Chesapeake
Clifton Forge	18,060,596	\$365,036.54			61,192,447	1.20	734,304.12	0.00	Clifton Forge
Colonial Height	63,219,759	\$1,715,451.14			372,692,120	1.25	4,658,651.51	0.00	Colonial Heights
Covington	38,965,682	\$1,164,387.37			131,788,075	0.59	777,576.24	0.00	Covington
Danville	149,369,818	\$3,373,122.96			709,050,760	0.76	5,388,786.63	0.00	Danville
Emporia	25,015,766	\$679,131.98			100,480,360	0.75	753,607.82	0.00	Emporia
Fairfax	153,791,943	\$3,611,190.77			1,035,880,700	1.12	11,601,863.84	0.00	Fairfax
Falls Church	55,895,155	\$2,505,078.25			630,406,000	0.98	6,177,978.80	0.00	Falls Church
Franklin	24,242,903	\$643,422.25	117,430	\$3,875.19	161,628,100	0.82	1,353,990.22	0.00	Franklin
Fredericksburg	105,567,310	\$2,187,974.84	10,150	\$303.50	505,545,150	1.22	6,167,651.40	0.00	Fredericksburg

Table 2. Increase in Local Real Estate Tax Rates Necessary to Offset the Loss in Revenue  
Resulting From the Exemption of Farm Machinery and Livestock from Local Property Taxation.

Cities	Total Local Personal Property Assessed Value	Total Local Personal Property Levies	Farm Machinery & Livestock		Real Estate			Req. R.E. Tax Rate Inc.	Cities
			Value	Levies	Taxable Value	Tax Rate	Levies		
Galax	17,441,704	\$619,388.03			146,958,950	0.82	1,205,063.39	0.00	Galax
Hampton	401,510,098	\$14,317,743.63			2,811,857,500	1.15	32,336,361.25	0.00	Hampton
Harrisonburg	137,556,371	\$1,871,574.69	349,300	\$5,268.00	643,450,200	0.72	4,632,841.44	0.00	Harrisonburg
Hopewell	162,759,807	\$4,767,383.04			414,769,500	1.10	4,562,464.50	0.00	Hopewell
Lexington	17,083,065	\$584,564.92			113,140,900	1.05	1,187,969.90	0.00	Lexington
Lynchburg	308,504,941	\$7,029,277.33			1,374,561,080	1.12	15,395,084.08	0.00	Lynchburg
Manassas	216,556,005	\$5,326,449.79			846,762,500	1.14	9,653,092.50	0.00	Manassas
Manassas Park	16,529,355	\$499,150.99			132,708,479	1.78	2,362,210.95	0.00	Manassas Park
Martinsville	84,903,612	\$1,492,938.69	4,400	\$99.00	356,082,650	0.76	2,706,228.14	0.00	Martinsville
Newport News	675,077,775	\$21,224,446.30	28,490	\$2,535.61	4,004,990,800	1.11	44,512,538.46	0.00	Newport News
Norfolk	992,824,860	\$27,195,231.22			4,655,950,460	1.25	58,199,380.75	0.00	Norfolk
Norton	34,874,014	\$375,515.39			88,430,800	.70	619,015.60	0.00	Norton
Petersburg	157,183,498	\$3,832,025.47			630,990,100	1.49	9,401,752.49	0.00	Petersburg
Poquoson	27,658,120	\$973,866.79			303,918,327	0.855	2,598,501.70	0.00	Poquoson
Portsmouth	357,560,481	\$10,681,708.80			1,890,669,910	1.30	24,582,283.00	0.00	Portsmouth
Radford	37,568,478	\$793,524.27			220,674,030	0.75	1,655,055.35	0.00	Radford
Richmond	1,543,068,939	\$37,560,741.77			5,409,837,760	1.47	79,524,615.33	0.00	Richmond
Roanoke	445,390,670	\$11,644,134.00			1,859,082,179	1.29	24,005,774.00	0.00	Roanoke
Salem	136,447,356	\$3,875,981.39			512,939,950	1.25	6,411,749.38	0.00	Salem
South Boston	24,209,916	\$509,307.58			122,894,365	0.98	1,204,365.32	0.00	South Boston

**Table 2. Increase in Local Real Estate Tax Rates Necessary to Offset the Loss in Revenue  
Resulting From the Exemption of Farm Machinery and Livestock from Local Property Taxation.**

Cities	Total Local Personal Property Assessed Value	Total Local Personal Property Levies	Farm Machinery & Livestock		Real Estate			Req. R.E. Tax Rate Inc.	Cities
			Value	Levies	Taxable Value	Tax Rate	Levies		
Staunton	59,521,415	\$1,792,398.22			411,400,400	1.10	4,525,404.40	0.00	Staunton
Suffolk	168,735,916	\$5,657,573.00	1,150,286	\$72,468.00	963,139,855	0.92	9,161,089.01	0.01	Suffolk
Virginia Beach	1,011,985,204	\$38,264,595.83	2,545,493	\$25,454.93	11,585,949,481	0.80	92,687,955.12	0.00	Virginia Beach
Waynesboro	74,768,835	\$2,710,320.24			450,729,280	0.97	4,372,074.00	0.00	Waynesboro
Williamsburg	141,429,269	\$699,560.67			433,465,400	0.52	2,254,020.08	0.00	Williamsburg
Winchester	145,042,247	\$3,111,614.79			531,286,100	0.95	5,047,217.95	0.00	Winchester
<b>Total Cities</b>	<b>9,794,712,429</b>	<b>\$269,437,397.85</b>	<b>\$5,955,989</b>	<b>\$179,299.91</b>	<b>\$55,522,080,903</b>		<b>\$616,321,698.51</b>		<b>Total Cities</b>
<b>Aggregate</b>	<b>32,643,709,101</b>	<b>\$732,624,305.57</b>	<b>\$151,047,056</b>	<b>\$2,871,653.52</b>	<b>\$166,460,429,887</b>		<b>\$1,683,080,997.29</b>		<b>Aggregate</b>

Table 3. Revenue derived from the property tax on farm machinery & livestock in Counties as a percentage of real estate tax revenue in Counties. (in order by percentage)

COUNTY	%	COUNTY	%	COUNTY	%
Southampton	10	Clarke	1.2	Fluvanna	0
Cumberland	8.3	Smyth	1.2	Franklin	0
Patrick	7.2	Washington	1.1	Frederick	0
Halifax	6.8	Botetourt	1	Goochland	0
Shenandoah	5.7	Northumberland	0.9	Greene	0
Amelia	5.6	Pulaski	0.9	Hanover	0
Carroll	5.6	Rockingham	0.8	Henrico	0
Greensville	5.5	Page	0.7	James City	0
Madison	5.4	Gloucester	0.6	Lee	0
Northampton	4.6	Henry	0.6	Loudoun	0
Brunswick	4.3	Grayson	0.5	Louisa	0
Lunenburg	4.3	King George	0.5	Mecklenburg	0
Richmond	4.2	Orange	0.5	Montgomery	0
Highland	3.9	Lancaster	0.4	Nelson	0
Nottoway	3.8	Wise	0.4	New Kent	0
Rockbridge	3.8	Alleghany	0.3	Pittsylvania	0
Isle of Wight	3.1	Mathews	0.2	Powhatan	0
Campbell	2.9	Albemarle	0	Prince Edward	0
Charlotte	2.8	Amherst	0	Prince George	0
Essex	2.5	Appomattox	0	Prince William	0
King William	2.5	Arlington	0	Rappahannock	0
Sussex	2.5	Bath	0	Roanoke	0
King & Queen	2.3	Bedford	0	Russell	0
Westmoreland	2.3	Buchanan	0	Scott	0
Charles City	2.1	Buckingham	0	Spotsylvania	0
Caroline	1.9	Chesterfield	0	Stafford	0
Bland	1.7	Craig	0	Surry	0
Augusta	1.5	Culpeper	0	Tazewell	0
Accomack	1.4	Dickenson	0	Warren	0
Dinwiddie	1.4	Fairfax	0	Wythe	0
Giles	1.4	Fauquier	0	York	0
Middlesex	1.3	Floyd	0		

Table 4. Revenue derived from the property tax on farm machinery & livestock in Counties as a percentage of real estate tax revenue in Counties. (alphabetical)

COUNTY	%	COUNTY	%	COUNTY	%
Accomack	1.4	Franklin	0	Nottoway	3.8
Albemarle	0	Frederick	0	Orange	0.5
Alleghany	0.3	Giles	1.4	Page	0.7
Amelia	5.6	Gloucester	0.6	Patrick	7.2
Amherst	0	Goochland	0	Pittsylvania	0
Appomattox	0	Grayson	0.5	Powhatan	0
Arlington	0	Greene	0	Prince Edward	0
Augusta	1.5	Greensville	5.5	Prince George	0
Bath	0	Halifax	6.8	Prince William	0
Bedford	0	Hanover	0	Pulaski	0.9
Bland	1.7	Henrico	0	Rappahannock	0
Botetourt	1	Henry	0.6	Richmond	4.2
Brunswick	4.3	Highland	3.9	Roanoke	0
Buchanan	0	Isle of Wight	3.1	Rockbridge	3.8
Buckingham	0	James City	0	Rockingham	0.8
Campbell	2.9	King George	0.5	Russell	0
Caroline	1.9	King William	2.5	Scott	0
Carroll	5.6	King & Queen	2.3	Shenandoah	5.7
Charles City	2.1	Lancaster	0.4	Sevth	1.2
Charlotte	2.8	Lee	0	Southampton	10
Chesterfield	0	Loudoun	0	Spotsylvania	0
Clarke	1.2	Louisa	0	Stafford	0
Craig	0	Lunenburg	4.3	Surry	0
Culpeper	0	Madison	5.4	Sussex	2.5
Cumberland	8.3	Mathews	0.2	Tazewell	0
Dickenson	0	Mecklenburg	0	Warren	0
Dinwiddie	1.4	Middlesex	1.3	Washington	1.1
Essex	2.5	Montgomery	0	Westmoreland	2.3
Fairfax	0	Nelson	0	Wise	0.4
Fauquier	0	New Kent	0	Wythe	0
Floyd	0	Northampton	4.6	York	0
Fluvanna	0	Northumberland	0.9		

DEPARTMENT OF TAXATION

Farm Animals and Farm Machinery and Implements  
Questionnaire

1. Does the locality tax the following classes of tangible personal property?

	<u>YES</u>	<u>NO</u>
Farm animals	_____	_____
Farm machinery & implements	_____	_____

2. For those classes taxed, please give the following information for the calendar year 1986 or fiscal 1986-87:

	<u>Total Assessed Value</u>	<u>Rate</u>	<u>Total Tax Assessed</u>
Farm animals	_____	_____	_____
Farm machinery & implements	_____	_____	_____
TOTAL	<u>_____</u>		<u>_____</u>

Locality (county or city) \_\_\_\_\_

\_\_\_\_\_  
(signature)

Commissioner of the Revenue  
or Director of Finance

Return to: Department of Taxation  
Property Tax Division  
P. O. Box 6-L  
Richmond, Virginia 23282

1987 SESSION  
ENGROSSED

HOUSE JOINT RESOLUTION NO. 316

House Amendments in [ ] - February 8, 1987

[ Establishing a joint subcommittee of the Senate and House Finance Committees to study exemptions for certain property from the tangible personal property tax. Requesting the Department of Taxation to determine the costs to exempt livestock, farm machinery and farm tools from personal property taxation. ]

Patrons—Hanger and Jones

Referred to the Committee on Rules

WHEREAS, tangible personal property is segregated exclusively for local taxation and is a major source of revenue for localities; and

WHEREAS, tangible personal property is divided into eighteen different classes and each class of property is valued according to a different method; and

WHEREAS, tangible personal property is extremely difficult to precisely value because it depreciates at a much faster rate than real estate typically does; and

WHEREAS, the methods of valuing the different classes of tangible personal property need to be studied to determine the feasibility of exempting certain classes of tangible personal property from taxation namely, livestock and [farm] machinery and tools; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That [ a joint subcommittee be established to study the feasibility and economic effect of exempting certain categories of tangible personal property, such as livestock and machinery and tools, from the tangible personal property tax.

The joint subcommittee shall consist of seven members who shall be appointed in the following manner: four members of the House Finance Committee appointed by the Speaker, and three members of the Senate Finance Committee appointed by the Senate Committee on Privileges and Elections.

The joint subcommittee shall complete its work prior to November 15, 1987.

The indirect costs of this study are estimated to be \$0,580; the direct costs of this study shall not exceed \$5,040. the Department of Taxation determines the costs to exempt personal property tax on livestock, farm machinery and farm tools.

The Department shall complete this work in time to report its finding to the 1988 Session of the General Assembly.]

Official Use By Clerks

Agreed to By  
The House of Delegates  
without amendment   
with amendment   
substitute   
substitute w/amdt

Agreed to By The Senate  
without amendment   
with amendment   
substitute   
substitute w/amdt

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Clerk of the House of Delegates

Clerk of the Senate

