



City of Manassas, Virginia  
9324 West Street, Manassas, VA 20110

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NR# 008  
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## **City Council Votes to Decrease Personal Property Tax Bills**

City of Manassas, VA . . . At tonight's City Council meeting, Council voted to decrease personal property bills on motor vehicles by 15 percent. This does not include the \$25 registration fee. Revised tax bills will be sent out in the next few days and residents will have until Oct. 26, 2022 to pay. Personal property is primarily motor vehicles, but could also include boats and trailers.

During the FY2023 Budget process in March/April 2022, the Commissioner of the Revenue estimated a significant increase in the assessed values of used vehicles given current economic factors including a shortage of vehicles and computer chips affecting the automobile industry. Vehicles are assessed at 100% of market value using the clean trade-in method by the National Automobile Dealers Association (NADA). Vehicle values typically depreciate over time so this increase was viewed as a temporary anomaly that would correct itself.

Based upon the Commissioner of the Revenue's estimates, a budgeted increase of approximately \$1.8 million in personal property tax revenue was expected in the FY2023 Budget assuming no changes were made to the assessment ratio or tax rate. During budget deliberations and before City Council adopted the budget, the Commissioner of the Revenue requested that City Council not change the method or ratio of assessment since this increase was viewed as a temporary anomaly. Rather than adjust the assessment ratio or personal property tax rate, City Council reduced the real estate tax rate by an additional three cents – an approximate \$1.8 million reduction in the budget to offset the expected increase in personal property taxes.

On Thursday, Aug. 18, 2022, the City of Manassas sent out personal property tax bills to those who own a motor vehicle. These bills reflected an even higher assessment than was estimated in March/April 2022 – about 15% more. The result is a total levy of approximately \$2 million more than was approved in the adopted budget.

A 15 percent decrease in taxes and a due date of Oct. 26 was proposed to Council at tonight's meeting and accepted. This means that City of Manassas residents who own vehicles as described above will receive a revised tax bill with the 15% decrease on motor vehicles. Those who have paid their personal property bill will receive a credit on their account and after Oct. 26, they will receive a refund. If the credit on the account is less than \$5, the resident can either leave the credit in their account to be applied to the 2023 bill, or contact the Treasurer's Office for a refund. Tax payments can be made online at [www.manassasva.gov/paymybill](http://www.manassasva.gov/paymybill), or by visiting 9800 Godwin Drive between 8:30 a.m. and 5 p.m.

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