

**City of Alexandria, Virginia
FY 2023 Proposed Operating Budget & CIP
Budget Questions & Answers**

April 12, 2022

Question: What personal property tax assessment ratios were considered besides the 77% recommended by staff?

Response: Staff projected that an Assessment Ratio of 75% would effectively eliminate the anticipated surplus associated with the surge in car values during 2021 as a result of supply and demand forces during the pandemic.

As presented to Council at the Budget Workshop on March 23, 2022, an Assessment Ratio of 77% is projected to generate a surplus of approximately \$2 million. An Assessment Ratio of 80% is projected to generate a surplus of roughly \$5 million.