

**City of Alexandria, Virginia**  
**FY 2025 Proposed Operating Budget & CIP**  
**Budget Questions & Answers**

**March 12, 2024**

**Question:**

What is the average real estate tax bill increase for FY25 based on real estate assessments? What is the anticipated revenue generated by a penny increase on the FY 25 tax rate? What is the anticipated increase in the average real estate property tax bill for each one-cent increase in the property tax rate in FY25?

**Response:**

On average, existing residential real estate property values increased by \$18,880 or 2.8%, from \$679,914 in CY 2023 to \$698,794 in CY 2024.

At the current real estate tax rate tax rate of \$1.11 per \$100 of assessed value, the average bill would increase by \$210 annually, from \$7,547 to \$7,757.

Each 1 cent added to the real estate tax rate would generate approximately \$4.7 million in FY 2025.

A 1 cent increase in the real estate tax rate would add \$70 to the average residential tax bill for a \$280 average annual increase.