



## FY 2023 Recommended Budget Budget Question

Board Question #: 6

**BUDGET QUESTION:** Used vehicle values have increased according to the NADA. Does this mean the personal property tax bill on a used vehicle will be higher this year than it was for the same vehicle in 2021?

**RESPONDING DEPARTMENT/OFFICE:** Budget & Grants

**RESPONSE:** All else being equal, we do expect this will be the case. However, the Spotsylvania-specific NADA values have not been run at this time, so we are not able to provide more detailed information such as average bill increase per vehicle, etc. The Commissioner of the Revenue reports that the NADA run will occur in March, and thereafter, Budget & Grants staff will be able to provide more analysis.

This response may prompt questions as to how a Personal Property revenue estimate was derived for the Recommended Budget. In the absence of Spotsylvania-specific values, we applied the average annual percentage increase in Personal Property revenue (+3.6%) for the past four years to the current projection of FY 2022 Personal Property revenue. The estimate may change when the NADA run occurs.

**ESTIMATE OF STAFF TIME SPENT ON RESPONSE:**