

2007 SESSION

INTRODUCED

071915208

HOUSE BILL NO. 1730

Offered January 10, 2007

Prefiled December 22, 2006

A *BILL to amend the Code of Virginia by adding a section numbered 58.1-3221.2, relating to classification of real property for tax purposes.*

Patron—Alexander

Referred to Committee on Finance

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding a section numbered 58.1-3221.2 as follows:

§ 58.1-3221.2. Classification of residential real property for tax purposes.

Residential property, as defined in § 6.1-409, is hereby declared to be a separate class of property and shall constitute a classification for local taxation separate from other classifications of real property. The governing body of any county, city, or town may, by ordinance, levy a tax on such residential property at a different rate from that of tax levied on other real property. The rate of tax imposed by any county, city, or town on such residential property shall not exceed that applicable to the general class of real property. Nothing in § 6.1-409 or in this section shall be construed to include commercial real estate, as defined in § 55-526, within the definition of residential property.

If the governing body of any county, city, or town imposes a lower rate of taxation on residential property than the rate imposed on other real property pursuant to the provisions of this section, then the rate of taxation imposed on the other real property thereafter shall not exceed the rate of taxation imposed on real property in the locality immediately prior to the imposition of a lower rate on residential property. If, however, the rate of taxation imposed on real property in the locality immediately prior to the imposition of a lower rate on residential property has been imposed for less than one year, then the rate of taxation imposed on the other real property thereafter shall not exceed the lower of (i) the rate of taxation imposed on real property in the locality immediately prior to the imposition of a lower rate on residential property or (ii) the most recent rate of taxation on real property that had been imposed for at least one year.

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