

LD0249208

## HOUSE BILL NO. 2161

Offered January 23, 1995

A BILL to amend and reenact § 58.1-2604 of the Code of Virginia, relating to assessments of public service corporation property.

Patrons—Dickinson; Senator: Houck

Referred to Committee on Finance

**Be it enacted by the General Assembly of Virginia:**

**1. That § 58.1-2604 of the Code of Virginia is amended and reenacted as follows:**

§ 58.1-2604. Increase in assessed valuation.

A. Except as otherwise provided in § 58.1-2608, any increase in the assessed valuation of any public service corporation property in any taxing district shall be made by application of the local assessment ratio prevailing in such taxing district for other real estate as most recently determined and published by the Department of Taxation. On January 1, 1967, one-twentieth, and on each subsequent January 1 for nineteen years an additional one-twentieth, of the assessed valuation on January 1, 1966, (reduced by forty percent of the value of the amount, if any, by which total retirements since January 1, 1966, exceed total additions since that date), shall be assessed by application of the local assessment ratio as provided above, and the remainder shall continue to be assessed by application of the forty percent assessment ratio as heretofore administered. Thereafter the whole shall be assessed by application of the local assessment ratio as provided above.

The local assessment ratio applicable to the property of a public service corporation located in any county, city, or town shall be the local assessment ratio which was determined for the year during which the general reassessment occurred in such county, city, or town. Property acquired by public service corporations during a year in which there is no general assessment in the county, city, or town shall be assessed at 100 percent of cost until the next general reassessment year. In any county, city, or town which has annual assessments, the local assessment ratio shall be determined and applied annually based on sales transactions occurring in the county, city, or town during the calendar year immediately preceding the tax year of the county, city, or town.

B. All public service corporation property in the process of equalization over a twenty-year period as provided in subsection A is hereby defined as a separate item of taxation and shall be identified as a separate category of property for local taxation. Such property in the process of equalization shall, for such period as provided for in subsection A, continue to be assessed at forty percent of the fair market value.

C. On request of any local taxing district in connection with any reassessment of property, representatives of the State Corporation Commission and the Department shall consult with representatives of the district with regard to ascertainment and equalization of values to help assure uniformity of appraisals and assessments in accordance with the provisions of this section.

D. The Department of Taxation shall furnish to each county, city or town in which a public service corporation's property represents twenty-five percent or more of the total assessed value of real estate in such county, city or town, the local assessment ratio to be applied within that county, city or town no later than April 1 of the year for which it is applicable.

E. The Department of Taxation shall furnish to each county, city or town, by April 1 of each year, a description of the manner in which the local assessment ratio applicable to the county, city or town for the year was determined. The description furnished by the Department shall include, but not be limited to, a description of the parcels used, the time period from which sales transactions were drawn, the classification applied by the Department to any parcel or transaction, and any mathematical formulas used in calculating the local assessment ratio.

INTRODUCED

HB2161