

DEPARTMENT OF TAXATION

2012 Fiscal Impact Statement

1. **Patron** Mamie E. Locke

2. **Bill Number** SB 32

House of Origin:

 Introduced

 Substitute

 Engrossed

3. **Committee** House Finance

4. **Title** Special Assessments for Improvements; City
of Hampton

Second House:

 X **In Committee**

 Substitute

 Enrolled

5. **Summary/Purpose:**

This bill would add the City of Hampton to the list of localities that may impose taxes or assessments upon the abutting property owners for the initial improving and paving of an existing street provided at least 50 percent of such owners who own at least 50 percent of the property abutting the street request the improvement or paving. The City of Hampton would also be authorized to impose taxes or assessments upon abutting property owners subjected to frequent flooding for special benefits conferred upon that property by the installation or construction of flood control barriers, equipment or other improvements for the prevention of flooding. The bill would also add the City of Hampton to the list of localities that may impose taxes or assessments upon the abutting property owners for the underground relocation of distribution lines for electricity, telephone, cable television and similar utilities.

The effective date of this bill is not specified.

6. **Budget amendment necessary:** No.

7. **Fiscal Impact Estimates are:** Not available. (See Line 8.)

8. **Fiscal implications:**

This bill would have no impact on state revenues. To the extent that the City of Hampton imposes any taxes or assessments for improving and paving streets, providing improvements for the prevention of flooding, or relocating underground distribution lines for utilities, there would be a positive revenue impact to the City of Hampton.

9. **Specific agency or political subdivisions affected:**

City of Hampton

10. **Technical amendment necessary:** No.

11. Other comments:

Special Assessments and Taxes

Under current law, the Cities of Chesapeake, Hopewell, Newport News, Norfolk, Richmond, and Virginia Beach may impose taxes or assessments upon the abutting property owners for the initial improving and paving of an existing street provided at least 50 percent of such owners who own at least 50 percent of the property abutting the street request the improvement or paving. The taxes or assessments may not exceed the benefits resulting from the improvements to the property owners and may not exceed the sum of \$10 per front foot of property abutting such street or the sum of \$1,000 for any one subdivided lot or parcel abutting the street, whichever is lesser.

The Cities of Buena Vista and Waynesboro and the County of Augusta may impose taxes or assessments upon abutting property owners subjected to frequent flooding for special benefits conferred upon that property by the installation or construction of flood control barriers, equipment or other improvements for the prevention of flooding. The taxes or assessments may not exceed the benefits resulting from the improvements to the property owners.

The Cities of Poquoson and Williamsburg may impose taxes or assessments upon the abutting property owners for the underground relocation of distribution lines for electricity, telephone, cable television and similar utilities. The underground relocation of distribution lines may only be ordered by the governing body and the cost apportioned pursuant to an agreement between the governing body and the abutting landowners.

Proposal

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Similar Legislation

House Bill 202 and **Senate Bill 33** would add Hampton to the list of localities authorized to have a special commissioner convey real estate to the locality in lieu of a public sale at auction when the percentage of taxes and other liens, together with penalty and accumulated interest, exceeds 35 percent of the assessed value of the parcel or the percentage of taxes alone exceeds 15 percent of the assessed value of the parcel.

cc : Secretary of Finance

Date: 2/14/2012 AM

DLAS File Name:SB32FE161