

DEPARTMENT OF TAXATION

2016 Fiscal Impact Statement

1. **Patron** Mark D. Sickles

3. **Committee** House Finance

4. **Title** Personal Property Tax; Duty to Provide
License Plate Information to Commissioner
of the Revenue

2. **Bill Number** HB 1034

House of Origin:

 X **Introduced**

 Substitute

 Engrossed

Second House:

 In Committee

 Substitute

 Enrolled

5. **Summary/Purpose:**

This bill would require that, upon written request of the Commissioner of the Revenue, owners or operators of apartment houses, office buildings, shopping centers, trailer camps, trailer courts, marinas, and privately owned or operated airports provide the Commissioner of the Revenue with the motor vehicle license plate number of every tenant of these facilities by February 1 of each year if this information is kept on file. The bill also would allow counties that meet certain requirements to require such information from persons leasing houses for rent. Additionally, the bill would require property owners' associations, condominium unit owners' associations, and proprietary lessees' associations to provide the Commissioner of the Revenue, upon written request, with a list of the license plate numbers of their owners' motor vehicles, if the associations maintain such a list. Finally, the bill would require certain owners or operators of self-service storage facilities to provide the Commissioner of the Revenue, upon written request, with the license plate numbers of any motor vehicles for which spaces are leased within the outdoor common area of the storage facility, by February 1 of each year.

Under current law, owners or operators of apartment houses, office buildings, shopping centers, trailer camps, trailer courts, marinas, or privately owned airports in Virginia, as well as owners and operators of certain self-service storage facilities must file with the local Commissioner of the Revenue, upon written request, the name and address of every tenant of such building, or every person leasing space within the outdoor common area of such self-service storage facilities. The local Commissioners of the Revenue can use these lists in administering local property taxes. In addition, to the extent that a list is maintained, property owners' associations, condominium unit owners' associations, and proprietary lessees' associations must provide a list of the owners of the properties that the association administers.

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 an unknown positive impact on local revenues to the extent that localities are able to assess additional local taxes based on the information provided by these businesses and associations. In Fiscal Year 2014, counties, cities and towns collected a total of \$1,778,902,000 in general personal property tax revenue.

This bill would have no impact on state revenues.

9. Specific agency or political subdivisions affected:

All localities

10. Technical amendment necessary: No.

11. Other comments:

Current Law

Owners and operators of apartments, office buildings, shopping centers, trailer camps, trailer courts, marinas, or privately owned or operated airports in Virginia must file, upon written request of the Commissioner of the Revenue for the locality in which the facility is located, the name and address of each tenant or person renting space as of January 1st. This information must be filed with the Commissioner of the Revenue on or before February 1st of every year. In addition, local governing bodies in counties adjoining a county with a population density of more than 1,000 per square mile may require this information from persons leasing houses for rent. According to 2010 U.S. Census Data, the counties of Arlington, Fairfax, Henrico, and Prince William have population densities that exceed 1,000 per square mile. Therefore, the counties of Charles City, Chesterfield, Fairfax, Fauquier, Goochland, Hanover, Loudoun, New Kent, Prince William and Stafford may require that persons leasing houses for rent provide the names and addresses of each tenant.

To the extent that they maintain such a list, property owners' associations, condominium unit owners' associations, and proprietary lessees' associations must provide the Commissioner of the Revenue with a list of the owners of the properties administered by the association if the Commissioner makes a written request. Similarly, owners and operators of self-service storage facilities with outdoor common areas for storage of motor vehicles, trailers, watercraft, and other tangible personal property must file with the Commissioner of the Revenue a list of the name and address of everyone that rents or leases space within the outdoor common area.

Local commissioners of the revenue use this information to administer their local property taxes. Anyone that fails to comply with these rules is guilty of a Class 4 misdemeanor.

Proposal

This bill would require that, upon written request of the Commissioner of the Revenue, owners or operators of apartment houses, office buildings, shopping centers, trailer camps, trailer courts, marinas, and privately owned or operated airports provide the Commissioner of the Revenue with the license plate number, in addition to the name and address, of every tenant of these facilities by February 1 of each year if this information is kept on file. Additionally, the bill would authorize the local governing bodies in the counties of Charles City, Chesterfield, Fairfax, Fauquier, Goochland, Hanover, Loudoun, New Kent, Prince William and Stafford to require that persons leasing houses for rent also provide the motor vehicle license plate information of each tenant.

In addition, the bill would require property owners' associations, condominium unit owners' associations, and proprietary lessees' associations to provide the Commissioner of the Revenue, upon written request, with a list of the license plate numbers of their owners' motor vehicles, if the associations maintain such a list.

Finally, the bill would require owners or operators of self-service storage facilities with outdoor common areas for storage of motor vehicles, trailers, watercraft, and other tangible personal property to file with the Commissioner of the Revenue, upon written request, the license plate numbers of any motor vehicles that are leasing spaces within the outdoor common area of the storage facility, by February 1 of each year.

The effective date of this bill is not specified.

cc : Secretary of Finance

Date: 1/26/2016 KP
DLAS File Name: HB1034F161