

# 11-D

**MOTION:**

**May 4, 2021  
Regular Meeting  
Res. No. 21-**

**SECOND:**

**RE: SUPPORT FOR GOAL OF A GRADUAL, PREDICTABLE INCREASE ON BUSINESS TANGIBLE PROPERTY TAX FOR ALL COMPUTER AND PERIPHERAL EQUIPMENT; AND DIRECT THE COUNTY EXECUTIVE TO INCLUDE THE GRADUAL, PREDICTABLE INCREASE IN THE PROPOSED BUDGETS FOR FISCAL YEAR 2023, FISCAL YEAR 2024, AND FISCAL YEAR 2025**

**ACTION:**

**WHEREAS**, pursuant to Section 58.1-3506, Virginia Code Ann., the Board of County Supervisors may adopt a business tangible property tax rate on computer and peripheral equipment employed in a trade or business at a different rate from the tax levied on other tangible personal property; and

**WHEREAS**, a significant portion of this tax is paid by data centers, which are designated as targeted industries by the Board of County Supervisors; and

**WHEREAS**, due to the evolving and expanding nature of data centers, the industry desires to have predictability with regard to this tax rate; and

**WHEREAS**, the Board of County Supervisors has discussed gradually increasing this tax rate over a several year period up to \$2.00, which approximates the current effective tax rate for personal property for motor vehicles, which is offset by the Commonwealth's Personal Property Tax Relief; and

**WHEREAS**, in Fiscal Year (FY) 2022, the Board increased this tax rate by \$0.15 to \$1.50; and

**WHEREAS**, the Board recognizes and acknowledges that it cannot establish the tax rate(s) for FY 2023, FY 2024, and FY 2025 at this time, nor can it bind itself to particular action on the tax rate(s) for FY 2023, FY 2024, and FY 2025; and

**WHEREAS**, the Board further recognizes and acknowledges that for each Fiscal Year, the proposed tax rate increase will need to be properly advertised and a public hearing held pursuant to Section 58.1-3007, Virginia Code Ann., before the increased rate is adopted;

**NOW, THEREFORE, BE IT RESOLVED** that the Prince William Board of County Supervisors hereby supports the goal of a gradual, predictable increase of business tangible property tax for all computer and peripheral equipment as follows: an increase of \$0.15 in Fiscal Year 2023; an increase of \$0.15 in Fiscal Year 2024; and an increase of \$0.20 in Fiscal Year 2025, whereby the rate would be \$2.00;

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**BE IT FURTHER RESOLVED** that the Prince William Board of County Supervisors hereby directs the County Executive to include this gradual, defined increase in the business tangible property tax for all computer and peripheral equipment in the proposed budgets for Fiscal Year 2023, Fiscal Year 2024, and Fiscal Year 2025.

**Votes:**

**Ayes:**

**Nays:**

**Absent from Vote:**

**Absent from Meeting:**

**For Information:**

County Executive

**ATTEST:** \_\_\_\_\_

**Clerk to the Board**