

**ARLINGTON COUNTY CIVIC FEDERATION  
Revenues & Expenditures Committee  
Real Estate Assessment and Tax Burden Resolution  
April 2022**

*Whereas* by the end of the fourth quarter in each calendar year (CY), Arlington County government can project with reasonable accuracy the level of increase in real estate assessments for the coming calendar year;

*Whereas* real estate tax bill increases in Arlington County predominantly arise from increases in a property's assessment, producing additional/new revenue to the county even in years when the base tax rate has remained flat or has been lowered;<sup>1</sup>

*Whereas* "Arlington County has one of the highest median property taxes in the United States, and is ranked 40th of the 3,143 counties in order of median property taxes"<sup>2</sup> while at the state level, Virginia tops the list for foreclosure rates associated with property tax increases;<sup>3</sup>

*Whereas* the "overall value of residential real estate" in Arlington has now increased another 5.8% for home assessments in calendar year 2022;<sup>4</sup>

*Whereas* the average assessed value of existing "single-family" residences (detached/semi-detached, townhouses, co-ops and condos) increased 1.8% in CY2012, 1.0% in CY2013, 5.3% in CY2014, 6.2% in CY2015, 2.8% in CY2016, 2.3% in CY2017, 3.8% in CY2018, 2.8% in CY2019, 4.2% in CY2020 and 5.6% in CY 2021—with a cumulative percentage increase in actual dollar cost to homeowners of 55% over 10 years;<sup>5</sup>

*Whereas* the average single-family homeowner has seen his/her real estate tax bill (not including other taxes or fees) rise from \$4,977 in CY2012 to \$7,726 in CY2022—and has absorbed a cumulative tax increase, which means the average homeowner now pays \$2,749 more per year in additional taxes than were paid in 2012;<sup>6</sup>

*Whereas* in places with rising home values, rents also tend to increase—with landlords passing along tax increases to tenants in the form of higher rents<sup>7</sup> and "whether residents rent or own, property taxes directly or indirectly impact almost everyone";<sup>8</sup>

*Whereas* "on average, poor homeowners and renters pay more of their incomes in property taxes than does any other income group"<sup>9</sup> and with a real estate tax that is regressive in nature, owners of "inexpensive houses pay almost 50% higher effective tax rates than owners of expensive houses";<sup>10</sup>

*Whereas* the highest concentrations of seniors living below the poverty line in Arlington are in ZIP codes 22202, 22203 and 22204 (areas with some of Arlington's greatest diversity);

*Whereas* in well over 10 years, Arlington County has not lowered its nominal or base tax rate sufficiently to offset successive increases in property assessments, meaning that the **effective** tax rate has risen each and every year over the past 10+ years;<sup>11</sup>

*Whereas* increasing real estate tax bills—via rising assessments and/or the base tax rate—increases housing costs for all Arlingtonians and makes homeownership and renting less affordable for ALL county residents, especially for those living on low or fixed incomes;<sup>12</sup>

*Whereas* the County Manager proposes to add over 100 new county positions<sup>13</sup> at a time when there are over 400 vacant existing positions (a vacancy rate of at least 10% of the county workforce),<sup>14</sup> whether or not the new positions can be filled during the fiscal year and with surplus funds the likely result;

**Therefore be it resolved** that the Arlington County Civic Federation (ACCF) urges the Arlington County Board to include a provision in its annual budget guidance to the County Manager requiring the manager to take into account the impact of the effective tax rate increase (i.e., increased assessment plus the nominal/base tax rate) on county residents—especially vulnerable populations—and businesses in order to balance new spending with reasonable mitigation of the growing tax burden.

Respectfully submitted,

ACCF Revenues & Expenditure Committee

Supporting members: Suzanne Smith Sundburg (POC), Gerry Auten, Duke Banks, Burt Bostwick, Dixie Duncan, Frank Emerson, Rick Epstein, Roger Morton, Terry Showman, John Tuohy, John Vihstadt and Tina Worden.

Dissenting member: Juliet Hiznay

## End Notes

<sup>1</sup> Arlington County Board Report 33A. (Posted 02-19-2021) request to advertise hearing for proposed tax rate for CY2021 (see Attachment II): [https://arlington.granicus.com/MetaViewer.php?view\\_id=2&clip\\_id=3876&meta\\_id=201114](https://arlington.granicus.com/MetaViewer.php?view_id=2&clip_id=3876&meta_id=201114) and “BREAKING: Arlington Residential Property Values Soar (1-15-2021) <https://www.arlnow.com/2021/01/15/breaking-arlington-residential-property-values-soar/>

<sup>2</sup> Tax-rates.org website: [http://www.tax-rates.org/virginia/arlington\\_county\\_property\\_tax](http://www.tax-rates.org/virginia/arlington_county_property_tax) [accessed 1-18-2022]

<sup>3</sup> “Property Tax Increases Force Rise in Foreclosure Rates”: <https://dsnews.com/daily-dose/12-14-2021/property-tax-rise>

<sup>4</sup> ARLnow, “JUST IN: County reports another jump in residential real estate assessments,” <https://www.arlnow.com/2022/01/14/just-in-county-reports-another-jump-in-residential-real-estate-assessments/> [accessed 1-20-2022]

<sup>5</sup> NOTE: “Single-family residence is based on all residential property including single family detached, semi-detached dwellings, condominiums, cooperatives, and townhouse residences.” See County Board Report 33A. (Posted 02-19-2021) request to advertise hearing for proposed tax rate for CY2021 (Attachment II) for the CY2012 percentage increase:

[https://arlington.granicus.com/MetaViewer.php?view\\_id=2&clip\\_id=3876&meta\\_id=201114](https://arlington.granicus.com/MetaViewer.php?view_id=2&clip_id=3876&meta_id=201114).” See County Board Report 30A. (Posted 02-10-2022) request to advertise hearing for proposed tax rate for CY2022 (Attachment II):

[https://arlington.granicus.com/MetaViewer.php?view\\_id=2&event\\_id=1743&meta\\_id=208669](https://arlington.granicus.com/MetaViewer.php?view_id=2&event_id=1743&meta_id=208669) for CY2013–CY2022 percentage increases.

<sup>6</sup> See County Board Report 33A. (Posted 02-19-2021) request to advertise hearing for proposed tax rate for CY2021 (Attachment II) for the CY2012 average figure: [https://arlington.granicus.com/MetaViewer.php?view\\_id=2&clip\\_id=3876&meta\\_id=201114](https://arlington.granicus.com/MetaViewer.php?view_id=2&clip_id=3876&meta_id=201114).” See County Board Report 30A. (Posted 02-10-2022) request to advertise hearing for proposed tax rate for CY2022 (Attachment II):

[https://arlington.granicus.com/MetaViewer.php?view\\_id=2&event\\_id=1743&meta\\_id=208669](https://arlington.granicus.com/MetaViewer.php?view_id=2&event_id=1743&meta_id=208669) for the CY2022 average figure.

<sup>7</sup> Apartment Search website, “Do Renters Pay Property Taxes?”: <https://blog.apartmentsearch.com/city-living-2/do-renters-pay-property-taxes/> and ITEP “Who Pays?” (6<sup>th</sup> Edition) web page: <https://itep.org/whopays/> [accessed 1-20-2022]

<sup>8</sup> “Reassessing the Property Tax,” p. 1, Christopher Berry, University of Chicago Harris School of Public Policy and the College: [https://cpbus-w2.wpmucdn.com/voices.uchicago.edu/dist/6/2330/files/2019/04/Berry-Reassessing-the-Property-Tax-2\\_7\\_21.pdf](https://cpbus-w2.wpmucdn.com/voices.uchicago.edu/dist/6/2330/files/2019/04/Berry-Reassessing-the-Property-Tax-2_7_21.pdf)

<sup>9</sup> ITEP, “Who Pays?” (6<sup>th</sup> Edition), p. 12: <https://itep.sfo2.digitaloceanspaces.com/whopays-ITEP-2018.pdf>

<sup>10</sup> “Why Are Residential Property Tax Rates Regressive?” Natee Amornsiripanitch, Federal Reserve Bank of Philadelphia:

<https://www.philadelphiafed.org/consumer-finance/mortgage-markets/why-are-residential-property-tax-rates-regressive>

<sup>11</sup> 3-8-2021 Arlington County Public Notice of Real Property Tax Increase

<https://content.govdelivery.com/accounts/VAARLINGTON/bulletins/2c5d5a0> and County Board Report 33A. (Posted 02-19-2021) request to advertise hearing for proposed tax rate for CY2021 (see Attachment II):

[https://arlington.granicus.com/MetaViewer.php?view\\_id=2&clip\\_id=3876&meta\\_id=201114](https://arlington.granicus.com/MetaViewer.php?view_id=2&clip_id=3876&meta_id=201114)

<sup>12</sup> Who Pays? Institute on Taxation & Economic Policy: A Distributional Analysis of the Tax Systems in All 50 States (5<sup>th</sup> Edition):

<http://www.itep.org/pdf/whopaysreport.pdf> (p. 6, p. 13) and “Houses, Apartments, and Property Tax Incidence,” Joint Center for Housing Studies Harvard University: <https://www.jchs.harvard.edu/sites/default/files/w05-2.pdf> and “Property Taxes and Elderly Mobility”:

<https://www.ncbi.nlm.nih.gov/pmc/articles/PMC2811882/> and “Property tax burdens fall on nation’s lowest-income homeowners, study finds”: <https://news.uchicago.edu/story/property-tax-burdens-fall-nations-lowest-income-homeowners-study-finds>

<sup>13</sup> FY 2023 Proposed Budget Position Changes (pp. 41–44): <https://www.arlingtonva.us/files/sharedassets/public/budget/documents/fy-2023/fy-2023-proposed/fy-2023-proposed-budget-all-in-one-02.15.22.pdf>

<sup>14</sup> See Attachment A, FOIA Response, Arlington County HR Vacancy Report as of 3-9-22