

# Annual Vehicle Personal Property Tax Billing FAQ's and Talking Points

## Objective

To provide information and guidance to citizens and staff for the 2023 Annual Billing

## History

Personal (motor vehicle), business, and machinery & tools taxes are assessed on all property that is located in Richmond, Virginia on January 1, of the tax year. The annual billing provides billing statements to citizens and businesses detailing what their tax liability for the current year will be. Motor vehicle taxes are prorated, meaning if the vehicle either moves in or out of Richmond during the tax year, the customer will pay an adjusted amount. Business property and machinery & tools taxes, and watercraft (boats) are not. Thus if the property is located in the locality (Richmond) as of January 1, of the tax year, it is fully taxable, even if it is sold or moved out of the locality later in the year. The opposite is true if the property is purchased or moved into the locality after January 1, of the tax year, in which case it is not taxable until the following year.

*\*For due dates that fall on a weekend or a city observed holiday, Richmond will allow the filing/payment to be made on the next business day without the imposition of late charges.\**

## General Information

<b>What?</b>	Billing statements are mailed to all taxpayers detailing the amount due, including a description of the property being taxed, the value of the property, the tax rate, any applicable tax relief, the license fee, and the total amount due. Taxpayer may go to <a href="http://www.rva.gov">www.rva.gov</a> to view bills on Invoice Cloud. Billing statements will contain delinquent tax due from previous years. Customers may call to question the outstanding balance, or wanting to pay the balance on the tax bill; If delinquent bills are in collections with TACS the fee charged by TACS will still be owed to them. If the delinquent bills are not with TACS the current year payments will be applied to the oldest balances before they are applied to the current year.
<b>Due Date*</b>	June 5, 2023
<b>Penalties/Interest</b>	<b><u>The Department of Finance will not remove penalty and/or interest for failure to receive a bill.</u></b> Penalty for late payment of the tax is 10 % of the tax due; Interest on late payments are charged at a rate of 10% per annum. Interest is accrued daily until payment has been received in full.
<b>How Many:</b>	133,200
<b>Bill Mail Dates:</b>	May 5, 2023-May 9, 2023
<b>License Fees</b>	Annual Registration fees for Personal Property: Vehicles less than 4000 pounds –\$40.74 Vehicles more than 4000 pounds but less than 10,001 pound –\$45.74 Motor cycles –\$28.74
<b>Online Payment Option:</b>	Invoice Cloud is a convenient payment option for paying real estate taxes and motor vehicle personal property taxes, include credit/debit cards, e-checks, scheduled payments and automatic payments (Auto-Pay). <a href="https://www.rva.gov">https://www.rva.gov</a>

- Emailed receipts provide electronic payment history without the paper.
- Go paperless and reduce clutter by eliminating the paper statement.

**What is the tax rate?** The tax rate on motor vehicles, motorcycles, boats, etc., is \$3.70 per \$100 of value

**How is property valued?** Automobiles are valued using the JD Power Guide Formerly Known As The National Automobile Dealers Association or (NADA) guide. Motorcycles, Boats, Manufactured Homes, Trailers and Motor Vehicles that are newer and are not listed in JD Power are valued by using a percentage of the cost.

**What is Vehicle Tax Relief?** This is the Tax Relief that is applied to each qualifying vehicle up to \$20,000, Any amount in excess of 20,000 does not get PPTR applied.

**Personal Property Tax Relief rate for 2023 is 36.6%.**

Vehicle Use	Assessed Value	Total Tax Amount	PPTR amount	Tax Balance Due
Business Use	\$20,000	\$740.00	None	\$740.00
Personal Use	\$1,000	\$37.00	\$37.00	\$ 0.00
	\$10,000	\$370.00	\$135.42	\$234.58
	\$25,000	\$925.00	\$270.84	\$654.16

**How does a vehicle qualify?** A vehicle must meet the below criteria:

1. Be owned and used by an individual not more than 50% for business
2. Weigh less than 10,001 pounds
3. Registered for Individual use, Business use does not qualify for PPTR

**What do I do if I moved?** Notify the Virginia Department of Motor Vehicles at 804-497-7100 and notify the Department of Finance at 804-646-7000 or email [finance@rva.gov](mailto:finance@rva.gov)

**If you did not receive a bill** Please email the Department of Finance to request a duplicate bill at [finance@rva.gov](mailto:finance@rva.gov) or visit our website at [www.rva.gov](http://www.rva.gov) where you are able to create an account, view and pay your bill on Invoice Cloud. **If you fail to pay because you did not receive a bill, late charges will still be imposed.**

**What if my value is wrong?** Assessments are determined in accordance with Virginia law and Finance policy. If a customer disagrees with the value of their vehicle they can appeal the assessed value based on high mileage or damage. Forms and instructions are at [www.rva.gov](http://www.rva.gov) . Please direct customers accordingly (no CRS ticket) **Requests for review or reassessment do not extend the due date of the bill.**

**Special Conditions** When viewing an account you may notice the following “Special Condition Code(s)”. These codes identify an activity or an action on the account.

P&IWAI – Penalty and interest waiver – late charges have been waived through the effective date  
 TACS- The account has been outsourced to Taxing Authority  
 VRW - A registration hold has been placed on the account at DMV