Town Council Regular Meeting
Agenda Item 5.c.i.

Agenda Item: **Ordinance 26-O-08 to Levy Taxes on Real Estate and Manufactured Homes, and Other Subjects for the Fiscal Year 2027 Budget**

Meeting Date: April 28, 2026

Category: Public Hearings

Prepared by: Dan Hoffman, Town Manager, Marjorie Sloan, Finance Director

Description:
The proposed ordinance approves the levy of taxes for Fiscal Year (FY) 2027 related to real estate, manufactured homes and other subjects.

Background/Timing Impact:
The proposed ordinance, in accordance with Section 30-36 of the Town Code, fixes and orders the levy for real estate and manufactured homes at $0.2700 per $100 of assessed value for FY 2027. This rate reflects no change from the previous rate of FY 2026. The notice for public hearing on the property tax levy was duly advertised in the Fairfax County Times newspaper in the March 27, 2026, edition.

Real estate assessed values increased 3.11% (5.43% increase for residential properties, partially offset by a decrease of 1.00% for commercial properties). Including the impact of the increased assessed value, the incremental impact of the average residential property (assessed at $589K) is $77 annually. The effective date for this ordinance is July 1, 2026.

Timing Impact:
Impacts of the adopted budget begin with the start of the next fiscal year on July 1, 2026. In addition, per the agreement with Fairfax County for Real Estate Tax bill processing, tax rates must be communicated to them no later than May 1, 2026.

Strategic Focus Area:
Strong Fiscal Stewardship

Fiscal Impact:
Based on the increase in assessed value combined with property growth, revenues from the real estate tax are budgeted to increase by $472K over FY 2026.

Legal Impact:

Section 4.2 of the Town Code requires submission of the Budget, Town Code Sec. 30-36 pertains to the levy for real estate.

Staff Recommendation/Next Steps:
Staff recommends adoption of the proposed ordinance.

Attachments:
1. Ordinance (Proposed)