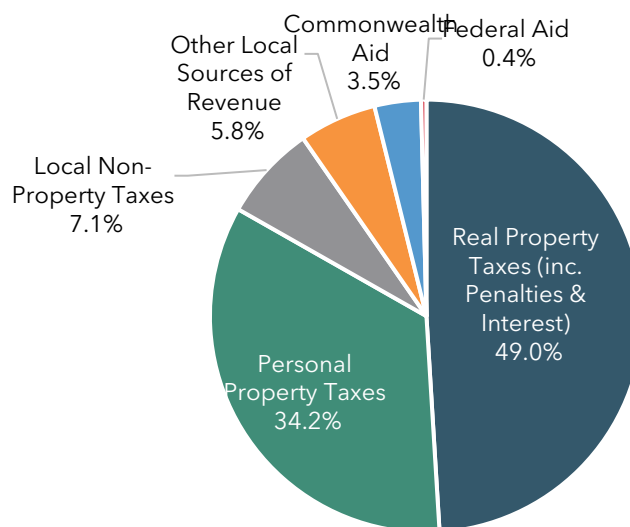


General Fund Revenue and Trends

The General Fund is one of multiple funds that exist within the County’s accounting and budgeting systems. It is the largest fund in terms of dollars; and it is the primary financing source for annual appropriations related to the ordinary, jurisdiction-wide operations of County government. “Revenue” in the General Fund consists of money that goes directly to the Fund when realized by the County and money initially appropriated in other funds that are transferred into the General Fund during the fiscal year. There are five major categories of General Fund Revenue: General Property Taxes (83.2 percent), which is comprised of both real and personal property taxes; Local Non-Property Taxes (7.1 percent); Other Local Sources of Revenue (5.8 percent); Commonwealth Aid (3.5 percent), and Federal Aid (<1 percent). The chart below shows the percentage contribution of each of five categories to FY 2027 General Fund revenue.

FY 2027 Adopted Budget General Fund Revenue



The County’s Revenue Committee reviews estimates of all local tax revenues. The Revenue Committee also reviews projected revenues from several non-tax sources that contribute substantial amounts of revenue to the General Fund (e.g., building permits, court fines, and interest on investments). The Revenue Committee consists of the Commissioner of the Revenue, the County Treasurer, the Clerk of the Circuit Court, the Chief Financial Officer, and representatives of several County operating departments.

The following table¹ presents the five major General Fund revenue categories and related subcategories. The pages that follow present historic and adopted revenues for each subcategory at a greater level of detail along with brief descriptions of each. The descriptions are general in nature and include main features only. Readers should refer to the statutory references provided or the County website for additional details. The actual amounts shown for Total General Fund Revenue for past years may exceed the corresponding values

¹ In all tables in this chapter, the sum of the individual revenue lines may not equal the totals due to rounding.

FY 2027 Adopted Budget

reported in the County's Annual Comprehensive Financial Report (ACFR). The ACFR does not classify inter-fund transfers (here included within 'Other Financing Sources') or proceeds from asset sales (here included in 'Miscellaneous') as revenue.

General Fund Revenue Summary

	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted	FY 2027 Adopted
General Property Taxes					
Real Property	1,081,502,630	1,187,140,521	1,300,646,610	1,392,951,703	1,558,951,787
Personal Property	807,463,630	923,844,141	964,629,755	1,036,654,319	1,100,009,014
Penalties And Interest	15,268,007	17,076,382	18,297,626	15,644,000	18,775,300
Total General Property	1,904,234,267	2,128,061,045	2,283,573,991	2,445,250,022	2,677,736,101
Local Non-Property Taxes					
Local Sales And Use Taxes	111,102,806	109,228,155	114,431,064	112,987,000	114,330,000
Consumers Utility Taxes	23,094,242	23,710,789	24,285,201	24,603,000	23,458,200
Business License (BPOL)	54,047,566	57,444,788	64,227,546	65,491,480	69,395,300
Franchise Fees & Misc.	25,489,806	26,736,874	20,585,534	19,693,000	22,074,800
Total Non-Property Taxes	213,734,420	217,120,606	223,529,346	222,774,480	229,258,300
Total Local Tax Revenue	2,117,968,687	2,345,181,650	2,507,103,337	2,668,024,502	2,906,994,401
Budget-Real Property Share of General Fund Local Tax Revenue	-	-	-	52.21%	53.63%
Other Local Revenue					
Permits Privilege Fees And Regulatory Licenses	24,350,756	29,284,973	39,394,130	26,719,851	26,771,861
Fines And Forfeitures	1,729,355	1,728,569	1,827,023	1,514,700	1,514,700
Revenue From Use Of Money And Property	40,079,393	85,844,698	87,839,076	43,247,687	56,655,865
Charges For Services	38,662,190	42,146,872	44,740,911	51,250,018	52,802,932
Miscellaneous Revenue	4,484,762	10,378,984	10,209,159	264,900	369,400

FY 2027 Adopted Budget

	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted	FY 2027 Adopted
Recovered Costs	12,190,490	13,149,132	14,185,520	10,638,067	12,201,271
Other Financing Sources	1,391,204	1,564,934	1,938,835	71,219,239	36,479,216
Total Other Local Revenue	122,888,149	184,098,162	200,134,654	204,854,462	186,795,244

Total Local Revenue	2,240,856,836	2,529,279,812	2,707,237,991	2,872,878,964	3,093,789,645
----------------------------	----------------------	----------------------	----------------------	----------------------	----------------------

Commonwealth Aid

State Non-Categorical Aid	59,432,311	59,736,370	60,749,963	59,970,701	59,970,701
State Shared Expenses	20,732,594	22,884,366	24,023,358	25,016,412	25,738,262
State Categorical Aid	18,135,898	22,120,565	24,178,758	22,639,126	25,787,277
Total Commonwealth Aid	98,300,803	104,741,301	108,952,079	107,626,239	111,496,240

Federal Aid

Intergovernment - Federal	20,710,022	31,106,552	26,551,663	13,522,797	12,932,483
Total Federal Aid	20,710,022	31,106,552	26,551,663	13,522,797	12,932,483

Total General Fund	2,359,867,662	2,665,127,665	2,842,741,733	2,994,027,999	3,218,218,368
---------------------------	----------------------	----------------------	----------------------	----------------------	----------------------

General Property Taxes^{1,2}

	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted	FY 2027 Adopted
Real Property Taxes					
Real Prop Taxes	1,064,394,423	1,174,339,264	1,286,662,142	1,377,860,430	1,126,200,731
Real Prop Taxes - Data Centers	-	-	-	-	417,666,456
Real Prop Taxes - Rollback	1,705,288	283,455	2,107,030	-	-

¹ Starting with the FY 2027 Budget, real property taxes attributable to data centers are shown as a different component of real property revenue.

² Starting with the FY 2027 Budget, business personal property taxes previously called out as furniture and fixture taxes and computer equipment taxes are now shown and captured in the revenue-business equipment taxes category.

FY 2027 Adopted Budget

	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted	FY 2027 Adopted
Real Prop Taxes - Relief For Elderly And Handicapped	(13,391,631)	(17,170,572)	(24,674,526)	(4,233,078)	(16,439,433)
Re - Tax Relief Disabled Veterans/KIA	(4,451,166)	(4,448,999)	-	(16,952,081)	(6,810,567)
Payments In Lieu Of Taxes	286,900	295,600	304,500	318,000	315,900
Public Svc Corp - Real Prop Taxes	32,958,817	33,841,773	36,247,464	35,958,432	38,018,700
Total-Real Property Taxes	1,081,502,630	1,187,140,521	1,300,646,610	1,392,951,703	1,558,951,787

Personal Property Taxes

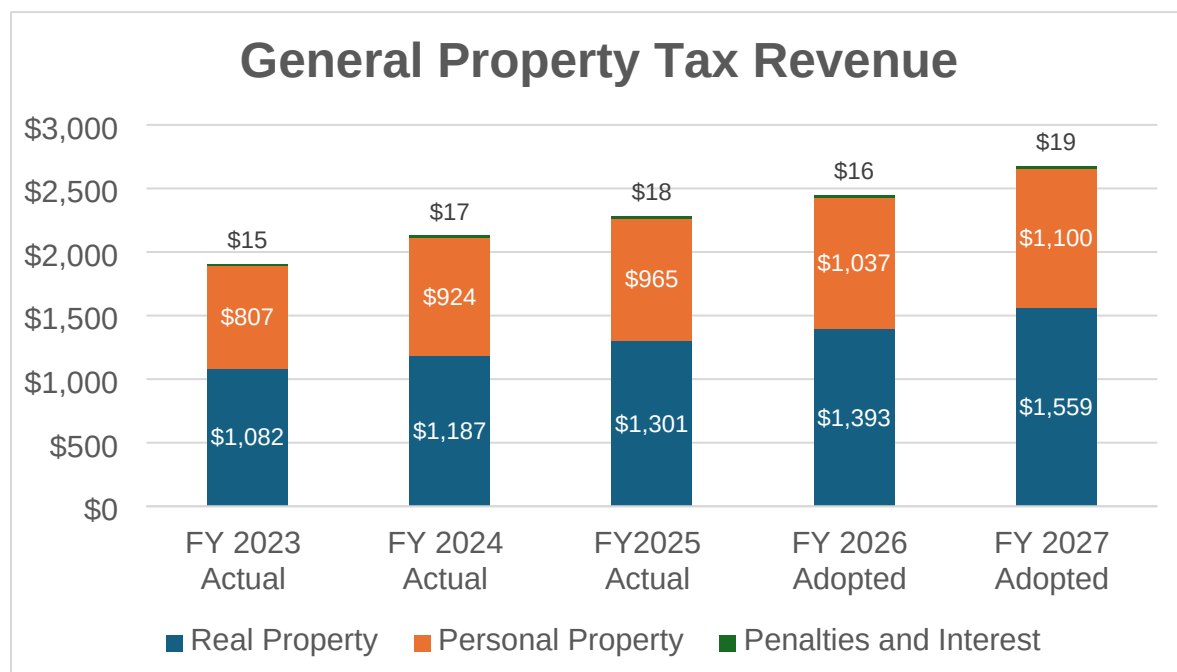
Aircraft Taxes	56,225	67,529	70,984	68,000	97,400
Computer Equipment Taxes	16,370,370	13,935,830	11,448,785	17,318,338	-
Furniture And Fixtures Taxes	43,572,949	46,237,832	49,218,462	52,207,846	-
Heavy Equipment Taxes	1,841,155	1,799,122	2,011,224	1,699,000	1,920,100
Machinery And Tools Taxes	2,026,308	2,138,776	2,090,405	2,190,000	2,535,300
Mobile Home Taxes	18,305	16,767	16,401	16,297	18,500
Satellite Manufacturing Equipment	5,119	6,909	7,547	7,000	7,200
Vehicles Taxes	161,860,815	174,694,605	199,702,100	168,259,929	142,836,614
Broadband Wireless Business Equip	15,018	12,795	11,709	19,000	14,800
Out Of State License Plate Tax	60,000	44,900	68,200	-	-
Computer Equipment Data Centers	581,550,433	684,787,341	699,818,945	794,780,452	879,094,354
Rev - Business Equipment Taxes	-	-	-	-	73,331,346
Public Svc Corp - Pers Prop Taxes - Vehicle	86,933	101,736	164,994	88,457	153,400
Total-Personal Property	807,463,630	923,844,141	964,629,755	1,036,654,319	1,100,009,014

Penalties and Interest

Penalties - Property Taxes	11,810,438	12,967,651	14,045,001	12,358,283	14,546,006
----------------------------	------------	------------	------------	------------	------------

FY 2027 Adopted Budget

	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted	FY 2027 Adopted
Out Of State License Plate Penalty	143,250	112,250	169,000	-	-
Interest - Property Taxes	3,314,319	3,996,481	4,083,625	3,285,717	4,229,294
Total-Penalties & Interest	15,268,007	17,076,382	18,297,626	15,644,000	18,775,300
Total General Property Taxes	1,904,234,267	2,128,061,045	2,283,573,991	2,445,250,022	2,677,736,101



Real Property Taxes

- **Legal Authority** - Article X of the Constitution of Virginia; Code of Virginia § 58.1-3200 et seq.; Loudoun County Ordinances § 4-860, 864, 870, and 872.
- **Description** - All land, structures, improvements, mineral deposits, and timber which are not exempted by State law are subject to local taxation at 100 percent of the fair market value as of January 1 of the calendar year for which the tax is levied. The methods used to arrive at fair market value must comport with State law. Taxable real property includes the value of leasehold interests and concessions located on land that is exempt from property tax. Exempt real property includes government-owned real estate, property devoted to religious purposes, and property meeting certain other eligibility criteria specified in the Code of Virginia, including ownership by elderly and disabled individuals or disabled military veterans. As of January 1, 2026, an estimated 5.3 percent or \$10.3 billion of the County's real property assets qualified for tax exemption, less than the prior tax year. Real property utilized

for agricultural purposes may qualify for the County's land use program. Under this program the property tax due on the difference between the fair market value of the land in its highest and best use and its value in agriculture, horticulture, or open space use is deferred until such time as the property is subdivided, re-zoned to a more intense, non-agricultural use, or no longer utilized for a qualifying purpose. Such conversion requires the payment of deferred taxes (plus interest) for the past five years (shown as Rollback revenue in the above table). As of January 2026, the County's land use program permitted deferral of taxes on approximately \$ 1.609 billion or less than 0.9 percent of Loudoun's taxable real property. Tax is also not levied on the difference between the "use value" and the fair market value of land subject to permanent easement and such property is not subject to rollback taxes.

- **Administration** – The Commissioner of the Revenue assesses the fair market value of all real property other than property owned by public service corporations (assessed by the Virginia State Corporation Commission), and the operating property of railroads and interstate pipelines (assessed by the Virginia Department of Taxation). The State Land Evaluation and Advisory Council provides recommended agricultural land values to the Commissioner of the Revenue for use in administering the land use program. Assessments are performed annually with notification of values by mail in February and are subject to appeal. The Treasurer bills and collects real property taxes semiannually with payments due on June 5 and December 5. Owners of new structures or those under construction may receive supplemental tax bills at other times based upon the state of completion with the amount prorated to cover the remaining portion of the calendar year. The Treasurer issues property tax bills and collects the levies.
- **Tax Rate** – The FY 2027 real property tax revenue estimate reflects a real property tax rate of \$0.805 per \$100 of assessed value on and after January 1, 2026, consistent with the TY 2025 real property tax rate of \$0.805. During calendar 2025, the Commissioner of the Revenue estimates that apart from the value of new construction and improvements, the fair market value of taxable property that existed in the County at the start of 2025 increased by approximately 9.39 percent. The equalized tax rate (\$0.735) offsets the change in market value of all real property over the previous calendar year that is not attributable to new structures and parcel development, meaning at an equalized tax rate, the same amount of revenue will be generated as that of the prior year¹. The Board of Supervisors establishes the real property tax rate, which is uniform for all real property in the jurisdiction. By law, any real property tax rate that would yield revenue in the current calendar year that is greater than 101 percent of the revenue levied in the prior year can only be approved after public notice and a public hearing. Historic real property tax rates are shown in the Real and Personal Property Tax Rates by Tax Year (Calendar Year) table located later in this section. The County also establishes special tax districts, each with its own special tax levy and associated special district fund. The referenced tax rate table also shows real property tax rates for these special purpose tax districts. Owners of non-exempt real property within a special tax district pay the special levy in addition to the general property tax; the special levy revenue is dedicated to the specific purpose for which the tax district was created.
- **Supplemental Information** – Additional information on the real property tax revenue forecast appears in the last section of the chapter entitled 'Forecast Discussion and Analysis'.

¹ Equalized rate as calculated based on the Commissioner of the Revenue's February 24, 2026, Assessment Summary.

Real Property Tax Relief - Foregone Revenue¹	Tax Year 2023 Actual	Tax Year 2024 Actual	Tax Year 2025 Prelim	Tax Year 2026 Est.
Elderly & Disabled	\$8,998,430	\$9,314,013	\$8,642,794	\$8,730,000
Disabled Veterans/KIA Spouse	10,871,307	12,724,907	\$15,100,554	\$15,250,000
Total - Real Property Tax Relief	\$19,869,737	\$22,038,920	\$23,743,348	\$23,980,000

Real Property Tax Relief

- **Legal Authority** - Article X of the Constitution of Virginia; Code of Virginia § 58.1-3210 et seq., § 58.1-3219.5 et seq.; Loudoun County Ordinances § 4-872.

- **Description** -

Elderly and Disabled - Real property owners who are at least 65 years of age or who are totally and permanently disabled may qualify for 100 percent relief from the tax on their principal residence and up to three acres of land provided their total combined (i.e., including their spouse and relatives residing in the home) income and financial net worth (excluding the value of the home and up to 10 acres) are less than \$77,000 and \$440,000, respectively. Effective January 1, 2019 (TY 2019), four new eligibility brackets were created expanding exemption to owners with a net worth up to \$920,000; income limits vary for each bracket. Such property owners may qualify for 50 percent tax relief provided their income does not exceed the limit associated with their net worth.

Disabled Veterans & Spouses - Military veterans having 100 percent service-connected, total and permanent disability may qualify for 100 percent property tax exemption irrespective of their financial status. The surviving spouse of a disabled veteran is also eligible for real property tax exemption if the veteran died after December 31, 2010, the surviving spouse maintains the property as a principal residence, and he or she does not remarry. There are no income requirements for veteran real property tax relief programs.

Killed in Action/Line of Duty - Beginning January 1, 2015, State law provided local property tax exemption on the primary residence of the surviving spouse of a service member killed in action. Starting January 1, 2025, this was amended as part of an amendment to the Constitution of Virginia to cover death in the line of duty more broadly. There are no income requirements for this tax relief.

- **Administration** - The Commissioner of the Revenue administers applications for and determines eligibility for real property tax relief. Application forms and additional information are available on the Loudoun County website. Tax relief is provided on a tax year basis. Tax relief for disabled veterans and surviving spouses of those killed in action can be applied retroactively as far back as 2011; the actual date is determined by the date of their disability rating or the purchase of the home, whichever is later.

- **Tax Rate** - The real property tax revenue foregone due to these exemptions is calculated using the real property tax rate in effect at the time.

¹ Tax relief amounts for TY 2023 through TY 2025 are as of January 21, 2026. TY 2026 estimates are based on the budgets for FY 2026 and FY 2027, respectively.

Personal Property Taxes

- **Legal Authority** - Article X of the Constitution of Virginia; Code of Virginia § 58.1-3500 et seq.; Loudoun County Ordinances § 4-860, 864, and 873.
- **Description** - This tax applies to 100 percent of the fair market value of all tangible personal property as of January 1 of the calendar year for which the tax is levied. For business personal property, assessment factors are applied to the original cost values to determine the approximated current value of property for the purposes of taxation. Tangible personal property includes all personal property not classified as intangible (e.g., computer software, accounts receivable, equipment used in manufacturing), merchant's capital (e.g., inventory of stock for sale, daily rental motor vehicles), or as short-term rental property. State law establishes a set of personal property categories for the purpose of assessing value and another set of categories for applying tax rates. Different valuation methods may be used for different classes of property, but the same method must be used for all types of property within the same category. Likewise, the same tax rate must be applied to all personal property within a given tax category. This procedure ensures that the same amount of tax will be collected from similar types of personal property having equal value, thereby promoting uniformity. State law also provides for exemptions from the personal property tax under specified conditions and for tax rates below the general personal property tax rate for certain categories of personal property. The largest categories of personal property in Loudoun County are motor vehicles and computer equipment.
- **Administration** - Loudoun's Commissioner of the Revenue determines the value of all tangible personal property other than property owned by public service corporations (which is assessed by the Virginia State Corporation Commission). Vehicle owners are required to file a personal property tax return with the Commissioner of the Revenue within 60 days of acquiring or bringing such property into Loudoun County or one of its seven incorporated towns. Thereafter, vehicle owners are required to report any changes annually by February 1. Owners of business tangible personal property are required to file annual declarations by March 1 identifying the volume description, and cost of all tangible personal property in Loudoun as of January 1. Loudoun's Treasurer bills and collects the personal property tax semiannually with payments due by May 5 and October 5 for property located in Loudoun on January 1. Unlike vehicle taxes, business personal property taxes are not pro-rated for equipment not in place as of January 1.
- **Tax Rate** - The table on the following page shows historic and current personal property tax rates applicable to the tangible personal property sub-categories shown in the previous table. For sub-categories, the general personal property tax rate applies unless indicated otherwise. The table of tax rates also shows the rates applicable to more specific property categories (e.g., motor vehicles owned by volunteer fire and rescue personnel) that are included in the categories reported in the revenue table.
- **Supplemental Information** - Additional information regarding the derivation of the forecast of personal property tax revenues appears at the end of the chapter in the section labelled 'Forecast Discussion and Analysis'.

**Real and Personal Property Tax Rates by Tax Year (Calendar Year) Tax per \$100
Assessed Value**

Taxable Real Property	CY 2022	CY 2023	CY 2024	CY 2025	CY 2026
Real Property - General	0.890	0.875	0.865	0.805	0.805
Public Service Corporation (PSC) Property	0.890	0.875	0.865	0.805	0.805
Route 28 Highway Transportation Improvement District	0.170	0.160	0.140	0.120	0.105
Metrorail Service Tax District	0.200	0.200	0.200	0.200	0.200
Loudoun Gateway-Airport Station Service Tax District	0.000	0.000	0.000	0.000	0.000
Ashburn Station Service Tax District	0.000	0.000	0.000	0.000	0.000
Real Property - Owned by Surviving Spouses of Certain Persons Killed in the Line of Duty	0.010	0.010	0.010	0.010	0.010

Taxable Personal Property	CY 2022	CY 2023	CY 2024	CY 2025	CY 2026
Personal Property - General (including vehicles/PSC vehicles)	4.200	4.150	4.150	4.150	4.150
Furniture & Fixtures ¹	4.200	4.150	4.150	4.150	4.150
Computer Equipment	4.200	4.150	4.150	4.150	4.150
Vehicles ²	4.200	4.150	4.150	4.150	3.090
Special Fuels Vehicles	4.200	4.150	4.150	4.150	3.090
Vehicles Powered Solely by Electricity	4.200	4.150	4.150	4.150	3.090
Wireless Broadband Equipment	2.100	2.100	2.100	2.100	2.100
Heavy Construction Machinery	4.000	4.000	4.000	4.000	4.000
PSC Personal Property - General (Excl. Vehicles & Aircraft) ³	0.890	0.875	0.865	0.805	0.805
PSC Personal Property - Aircraft Only	0.010	0.010	0.010	0.010	0.010
Aircraft, Flight Simulators	0.010	0.010	0.010	0.010	0.010
Eligible Vehicles - Fire and Rescue Services & Sheriff's Auxiliary	0.010	0.010	0.010	0.010	0.010
Eligible Vehicle - Permanently Qualifying Disabled Veteran ⁴	n/a	n/a	n/a	n/a	n/a
Vehicles of Active Virginia Defense Force	0.010	0.010	0.010	0.010	0.010

¹ While identified separately above, a separate classification for the purposes of taxation has not been established by the Board; such property is taxed at the general property tax rate.

² Vehicle taxes are called out separately beginning in the FY 2026 Budget based on Board guidance and direction around taxing this property classification at a rate that is different than the general personal property tax rate effective with TY 2026.

³ Manufactured homes and personal property of PSCs other than vehicles and aircraft are taxed at the real property tax rate.

⁴ The Constitution of Virginia provides for an exemption from taxation on one vehicle owned by a 100 percent, service-connected, permanent, and totally disabled veteran effective January 1, 2021.

FY 2027 Adopted Budget

Taxable Personal Property	CY 2022	CY 2023	CY 2024	CY 2025	CY 2026
Vehicles Specially Equipped for Handicapped Transport	0.010	0.010	0.010	0.010	0.010
Vehicles of Eligible Elderly and Handicapped	2.100	2.100	2.100	2.100	1.500
Four-Wheeled Electrically Powered Low Speed Vehicles	0.010	0.010	0.010	0.010	0.010
Mobile Homes Used as Residences (Manufactured Homes) ³	0.890	0.875	0.865	0.805	0.805
Machinery and Tools	2.750	2.750	2.750	2.750	2.750
Used in a Research and Development Business ¹	2.750	2.750	2.750	2.750	2.750
Interstate Motor Carrier ¹	2.750	2.750	2.750	2.750	2.750
Satellite Manufacturing Equipment ¹	0.010	0.010	0.010	0.010	0.010

Unless otherwise noted, personal property tax rates are limited to a maximum of the general property tax rate.

¹ The tax rates for personal property used in a research and development business, interstate motor carrier, and satellite manufacturing equipment cannot, by Code of Virginia, be taxed at a rate higher than the rate on Machinery and Tools.

Local Non-Property Taxes

	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted	FY 2027 Adopted
Sales and Use Taxes					
Local Sales And Use Taxes	107,379,178	105,782,789	111,216,779	109,737,000	114,330,000
Motor Vehicle Sales And Use Tax	19,941	16,778	36,080	-	-
Cigarette Tax	3,703,688	3,428,589	3,178,205	3,250,000	-
Total-Sales and Use	111,102,806	109,228,155	114,431,064	112,987,000	114,330,000
Consumer Utility Taxes					
Consumers Utility Tax - Electric - State	4,234,214	5,069,600	5,473,330	6,212,000	5,452,082
Consumers Utility Tax - Natural Gas - State	246,546	245,368	271,198	245,000	270,145
Consumers Utility Tax - Electric - Local	6,610,911	6,685,841	6,801,977	6,952,000	6,775,571
Consumers Utility Tax - Natural Gas - Local	2,657,051	2,660,163	2,712,733	2,727,000	2,702,202
Communication Tax - State	8,070,058	7,583,761	7,546,872	6,802,000	6,552,100
Psap E - 911 - State	1,275,463	1,466,055	1,479,092	1,665,000	1,706,100
Total-Utility Taxes	23,094,242	23,710,789	24,285,201	24,603,000	23,458,200
Business License (BPOL)					
15 - Amusements	138,837	140,605	148,376	159,086	168,569
17 - Business Service Occupations	14,851,107	17,204,896	19,652,027	19,509,016	20,671,911
17 - Business Service Aircraft Lease	16,936	14,551	13,375	16,746	17,744
17C - Business Service Computer Info	-309,043	-332,535	8,002	-	-
17D - Fed R And D	41,545	23,777	8,763	27,212	28,834
18 - Personal Service Occupations	2,857,576	2,865,611	2,969,378	3,249,758	3,443,470
19 - Contractors And Contracting	13,323,551	14,288,166	17,667,688	16,201,693	17,167,445

FY 2027 Adopted Budget

	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted	FY 2027 Adopted
20 - Hotels And Motels	488,973	374,467	393,329	424,928	450,257
21 - Professional And Specialized	4,340,388	4,583,957	5,186,220	5,197,520	5,507,334
22 - Renting By Owner	3,897,954	4,345,203	2,833,449	4,927,492	5,221,210
23 - Repair Service Occupation	1,033,942	790,977	775,329	896,954	950,420
24 - Retail Merchant	10,559,124	10,612,668	11,361,918	12,034,048	12,751,375
24 - Retail Merchant Cert Str	270,013	139,184	225,652	158,040	167,460
26 - Wholesale Merchant	816,838	788,357	849,548	893,814	947,093
28 - Money Lenders	630,623	663,209	679,949	752,521	797,377
31 - Coin Operated Machines	1,200	1,250	1,950	-	-
32 - Fortune Tellers And Related	1,000	1,000	1,500	-	-
33 - Itinerant Merchants	8,500	7,500	10,000	8,373	8,872
35 - Professional Bondsmen	-50	-	-	-	-
37 - Other Business	71,619	191,382	371,004	216,651	229,565
Xx - Satellite Imaging Services	60	2,738	2,915	-	-
Going Out Of Sale Permits	-	65	-	-	-
Mixed Beverage Licenses	70,000	70,480	64,350	79,543	84,285
Public Service Corporation License Tax	483,330	318,885	459,971	361,084	382,608
Penalties - Interest And Cost	453,542	348,395	542,854	377,000	399,472
Total-BPOL	54,047,566	57,444,788	64,227,546	65,491,480	69,395,300

Franchise Fees and Miscellaneous

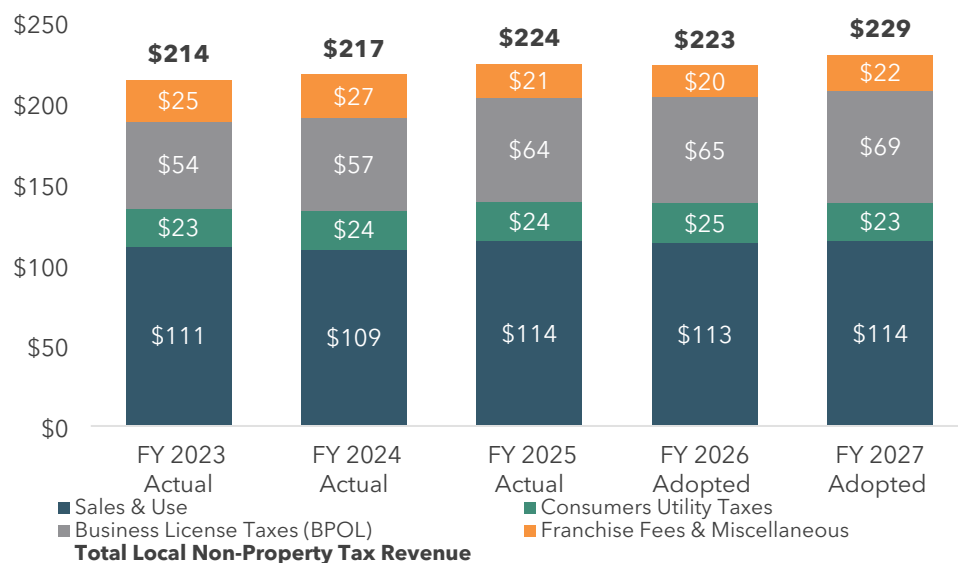
Vehicle Decals	7,479,950	7,626,825	-92,008	-	-
Franchise Taxes	2,204,986	1,937,364	1,820,344	2,000,000	2,000,000
Recordation Taxes	12,058,863	12,935,579	14,491,499	13,000,000	15,240,000
Taxes On Wills	88,842	83,624	80,492	84,000	85,900

FY 2027 Adopted Budget

	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted	FY 2027 Adopted
Transient Occupancy Tax - 2 Percent - Unrestricted	2,832,805	3,199,180	3,260,711	3,520,000	3,520,000
Short Term Rental	824,360	954,302	1,024,496	1,089,000	1,228,900
Total-Franchise Fees & Misc.	25,489,806	26,736,874	20,585,534	19,693,000	22,074,800

Total Non- Property Taxes	213,734,420	217,120,606	223,529,346	222,774,480	229,258,300
--------------------------------------	--------------------	--------------------	--------------------	--------------------	--------------------

Note: The descriptions of local taxes that follow are general in nature and include main features only. Readers should refer to the statutory references provided or the County website for additional details.



Sales and Use Tax

- **Legal Authority** - Article X of the Constitution of Virginia; Code of Va. § 58.1-605 et seq.; Loudoun County Ordinance adopted May 24, 1966 (uncodified).
- **Description** - A general tax of one percent on the retail price of non-exempt goods and services purchased for use within Loudoun County to provide revenue for the general fund. This tax is also referred to as the one percent local option tax because state law gives counties and cities the option of levying this tax within their jurisdictions. The revenue reported in the above table represents only the County's share (currently around 92 percent) of the revenue collected in each fiscal year. The proceeds of the one percent sales and use tax are allocated between the Loudoun County government and the towns located within the county based on school age population. As a result of the Supreme Court's June 2018 decision in *South Dakota v. Wayfair*, states may require out-of-state sellers with no physical presence in the state to collect sales and use tax. This requirement took effect in Virginia July 1, 2019 (FY 2020).

- **Administration** – The tax is collected by businesses from the consumer at the time of sale (or lease) and remitted to the Tax Commissioner of the Commonwealth of Virginia by the 20th day of the month following its collection. The Tax Commissioner deposits the funds into an account administered by the State Comptroller who distributes the proceeds to each county or city. The distribution of tax proceeds collected for a given month generally occurs during the first few days of the second calendar month following the month of collection. The Commonwealth’s Auditor of Public Accounts regularly audits the tax collection process. Any errors detected in past distributions are corrected via deductions from future distributions.
- **Tax Rate** – The total sales and use tax rate in Loudoun County is 6 percent which includes a 4.3 percent state tax, a 0.70 percent regional tax, and a 1.0 percent local option sales and use tax on any non-exempt retail good or service sold or used (i.e., consumed or stored) within the County. This chapter focuses on the local option sales and use tax which is a General Fund revenue. The regional tax is directed to the Northern Virginia Transportation Authority (NVTa); the regional and state taxes are not reflected in the tables of this chapter. Of the regional tax, 30 percent of collections attributed to Loudoun County are distributed back to the County. This is one component of the NVTa 30 percent funding source in the Six-Year Capital Improvement Program.

Historically, sales of food for home consumption and personal hygiene products (effective January 1, 2020) were taxed at a reduced rate of 2.5 percent (1.5 percent state and 1.0 percent local option). Effective January 1, 2023, these products are taxed at a reduced rate of 1.0 percent reflecting only the local option sales and use tax.

- **Supplemental Information** – Sales and Use Tax revenue tends to grow over time at a rate commensurate with the percentage change in the number of households in the County plus the rate of consumer price inflation, which impacts the prices of the goods and service purchases to which the tax applies. During economic recessions consumers tend to economize on purchases of goods and services which can cause this revenue to decline. Refunds and/or receipts resulting from audits of prior year collections can significantly impact reported revenue in any given year.

State Taxes on Retail Electricity and Natural Gas Consumption

- **Legal Authority** – Article X of the Constitution of Virginia; Code of Va. § 58.1-2900 – 2907; Loudoun County Ordinances not applicable.
- **Description** – Taxes levied by the Commonwealth on electricity and on natural gas consumed by retail utility customers in Loudoun County. Electricity consumption is measured in kilowatt-hours (kWh); natural gas consumption is measured in units of 100 cubic feet (CCF). The per-kWh tax rate and the per-CCF tax rate each consists of three components: a state component, a local component, and a special regulatory component. Loudoun only receives revenue from the local component.
- **Administration** – These taxes appear as separate charges on the monthly bills of retail electric and natural gas utility customers. The utilities (or their billing agent) collect the tax and remit the local portion of the tax proceeds to the Loudoun County Treasurer by the last day of the month following the month of collection.
- **Tax Rate** – The local portion of the natural gas consumption tax is \$0.004 per CCF on the first 500 CCF consumed in a month. The local portion of the electric consumption tax varies by usage level and is shown below.

First 2,500 kWh per month	Next 47,500 kWh per month	Excess of 50,000 kWh per month
\$0.00038/kWh	\$0.00024/kWh	\$0.00018/kWh

- **Supplemental Information** – These taxes became effective on January 1, 2001, and replaced the state gross receipts tax and the local license tax on electric and gas utilities.

Local Taxes on Retail Electricity and Natural Gas Consumption

- **Legal Authority** – Article X of the Constitution of Virginia; Code of Va. § 58.1-3812 et seq.; Loudoun County Ordinances § 4-844.
- **Description** – Taxes levied by Loudoun County on electricity and on natural gas consumed by retail utility customers in Loudoun County outside of towns which impose their own levy on these services. Monthly electricity use is measured in kilowatt-hours (kWh); natural gas consumption is measured in units of 100 cubic feet (CCF). The tax rate varies according to the characteristics of the service.
- **Administration** – These local taxes on utility services appear on the monthly retail bills of consumers and are collected by the utility service providers (or their billing service) who remit the proceeds to the locality.
- **Tax Rate** – Tax rates for individually metered non-interruptible service are as follows:

Type of Utility/Service	Rate	Max Tax Per Month
Natural Gas Residential	\$0.63 per month plus \$0.06485 per CCF delivered	\$2.70
Natural Gas Commercial	\$0.676 per month plus \$0.0304 per CCF delivered	\$72.00
Natural Gas Group Metered Apartments	\$0.63 per month plus \$0.00032 per CCF delivered	\$2.70
Natural Gas Interruptible	\$8.00 per month plus \$0.00094 per CCF delivered	\$72.00
Electric Residential	\$0.63 per month plus \$0.006804 per kWh	\$2.70
Electric Commercial	\$0.92 per month plus \$0.005393 per kWh	\$72.00

- **Supplemental Information** – The \$2.70 monthly limit for the residential tax corresponds to 304 kWh for electricity and 32 CCF for natural gas. These levels are sufficiently low that nearly all residential users should pay the maximum tax each month irrespective of weather conditions and the resulting space conditioning demand. The same is not necessarily true for the commercial segment with maximum taxable levels of 13,180 kWh and 2,326 CCF. Some smaller commercial establishments may only reach these levels under extreme temperatures.

State Communications Tax

- **Legal Authority** – Article X of the Constitution of Virginia; Code of Va. § 58.1-648 et seq.; Loudoun County Ordinances not applicable.

- **Description** – The Communications Tax refers to a set of levies imposed by the Commonwealth on various communication services sourced to Virginia. The sales and use tax applies to a host of communications services, including landline, wireless, and satellite phone services; teleconferencing services, voice-over-internet protocol; and 800 number services.
- **Administration** – Communication service providers collect the taxes from their customers each month and remit the proceeds to the Virginia Department of Taxation. The Department of Taxation then distributes the revenues to localities. Loudoun receives a fixed percentage (2.78 percent) of Commonwealth collections for state-wide communications taxes less an administrative fee.
- **Tax Rate** – The communications sale and use tax is 5 percent.
- **Supplemental Information** – Communications Tax revenues have not increased over time for two main reasons: a growing number of cell phone subscribers have discontinued landline phone service and more consumers are choosing streaming services as an alternative to cable television.

PSAP E-911 Tax

- **Legal Authority** – Article X of the Constitution of Virginia; Code of Va. § 56.1-484.1256.1-484.18; Loudoun County Ordinances are not applicable.
- **Description** – A surcharge imposed on each end user of wireless communications services. End users that are government agencies are exempt. The proceeds are used to support 911 emergency call centers.
- **Administration** – Communications service providers collect the tax each month from end users in Virginia and remit the proceeds to the Virginia Department of Taxation which then distributes 60 percent of the proceeds to localities to support their respective emergency call center or “public safety answering point” (PSAP).
- **Tax Rate** – The tax is \$0.82 per month on each wireless end user having service that is billed monthly and a one-time \$0.55 charge on wireless end users having pre-paid service.
- **Supplemental Information** – Loudoun currently receives 3.7818 percent of the funds distributed to localities in Virginia from this tax. The State’s E-911 Services Board reviews the allocation formula every five years with recommended changes, which are then subject to legislative approval. The last review was in 2023.

Business & Professional License Tax (BPOL)

- **Legal Authority** – Article X of the Constitution of Virginia; Code of Va. § 58.1-3700 et seq.; Loudoun County Ordinances § 2-839 & § 4-840.
- **Description** – The County levies this tax annually on the prior-year gross receipts of all businesses located within the County, including home-based businesses having annual gross receipts exceeding \$10,000. These businesses must register their business with the Commissioner of the Revenue within 30 days of commencing operations and must renew their license every year. Each registered business is assigned to a classification, each with its own rate of tax. The County may not impose this tax on a business located within a town that imposes its own version of this tax unless the town authorizes the county to do so.

- **Administration** - The tax is assessed by the Commissioner of the Revenue and paid to the Treasurer. Business owners are required to file their annual tax return and make payment by March 1 of each year.
- **Tax Rate** - The gross receipts tax for the first year of operation is \$30 (except for contractors headquartered outside the County who are taxed on their estimated first-year gross receipts on business within the County). Businesses in operation for more than one year and having gross receipts not exceeding \$200,000 also pay \$30 in tax. Most other registered businesses pay tax on a rate per \$100 of gross receipts according to their business classification. Several classes are subject to flat rates independent of their gross receipts. The table on the next page shows the rates for each classification.
- **Supplemental Information** - Business registration fees are included as BPOL revenue within each business class and are not reported as a separate revenue item.

Business Class	Tax Rate	Business Class	Tax Rate
Amusements	0.21/100	Retail Merchant	0.17/100
Business Service Occupations	0.17/100	Retail Merchant/Cert Short-term Rental	0.20/100
Business Services/Aircraft Lease	0.05/100	Wholesale Merchant	0.05/100
Business Services /Computer Info ¹	0.15/100	Money Lenders	0.16/100
Business Services/Satellite Imaging Svcs.	0.15/100	Coin Operated Machines, <10 machines	150/year
Federal R&D	0.03/100	Coin Operated Machines, 10 or more	200/year
Personal Service Occupations	0.23/100	Fortune Tellers	500/year
Contractors & Contracting	0.13/100	Itinerant Merchants	500/year
Hotels and Motels	0.23/100	Going Out of Business Sale Permits	\$65
Professional & Specialized	0.33/100	Mixed Beverage Licenses	200-500
Renting by Owner	0.16/100	Public Svc. Corporations License	0.50/100
Repair Service Occupation	0.16/100		

Bank Franchise Tax

- **Legal Authority** - Article X of the Constitution of Virginia; Code of Va. § 58.1-1200 et seq.; Loudoun County Ordinances § 4-876.
- **Description** - The County imposes an annual tax on the value of each bank's operations within the County but outside of incorporated towns. Federal and State banking regulations require banks to report their assets, liabilities, and equity values at the end of each calendar year. The dollar value of each bank's "net capital" is calculated from this information. "Net capital" is the value of the bank's operations. Banks that operate in multiple states and/or local jurisdictions must allocate their net capital to individual jurisdictions, including Loudoun County, in order to determine the amount of the franchise tax owed.
- **Administration** - Banks must file their annual tax return with the Commissioner of the Revenue by March 1 of each year and pay the tax due to the Treasurer by June 1.
- **Tax Rate** - The tax rate is 80 percent of the bank franchise tax rate imposed by the Commonwealth which is currently \$1 for every \$100 of franchise value.

¹ Except those services exempted by the Internet Trade Freedom Act.

- **Supplemental Information** – The value of bank net capital subject to Loudoun’s franchise tax depends on a variety of factors, including bank location decisions, the financial health of banks, and the method of allocating net capital among jurisdictions in which a bank operates. As these factors change over time, the amount of tax collected by the County will change. In Virginia, the net capital of banks operating in multiple jurisdictions was allocated according to the volume of a bank’s deposits originating in each locality. However, a bank that only made loans in Virginia but did not take deposits challenged the practice of equating “bank operations” with “taking deposits” in court and prevailed. By paying this franchise tax, a bank is exempt from paying certain other taxes under Virginia law.

Recordation Tax

- **Legal Authority** – Article X of the Constitution of Virginia; Code of Va. §§ 58.1-814, 58.1-3800 et seq.; Loudoun County Ordinances § 4-842.
- **Description** – This tax is levied on the dollar value of all estates, deeds of trust, mortgages, leases, contracts and agreements that are recorded by the Loudoun County Clerk of the Circuit Court.
- **Administration** – The tax is collected by the Clerk of the Circuit Court, who remits the County’s portion of the funds to the County Treasurer.
- **Tax Rate** – Since September 2004, Loudoun’s tax rate has been \$0.083 per \$100 of recorded value. As required by State Code, Loudoun’s rate is one-third of the State’s recordation rate of \$0.25 per \$100 of value.
- **Supplemental Information** – State law provides some exceptions to this tax (e.g., the recording of a deed to which a husband and wife are the only parties). At times of low interest rates, recordation tax revenues often increase as homeowners look to take advantage of the savings that can be gained from refinancing at a lower rate. This is evidenced in the recordation tax revenues of FY 2021 – FY 2022. Staff anticipate revenue to level out at levels commensurate with FY 2023- FY 2025 based on improved, but still elevated interest rates compared to before or during the pandemic.

Taxes on Wills

- **Legal Authority** – Article X of the Constitution of Virginia; Code of Va. § 58.1-3805 et seq.; Loudoun County Ordinances § 4-843.
- **Description** – This tax is imposed on the value of a will probated by the Circuit Court and on grants of administration by the Circuit Court involving estates having no will in effect.
- **Administration** – The tax is collected by the Clerk of the Circuit Court, who remits the County’s portion of the funds to the County Treasurer.
- **Tax Rate** – Loudoun’s tax rate has been \$0.033 per \$100 of recorded value. As required by State Code, Loudoun’s rate is one-third of the State’s recordation rate of \$0.10 per \$100 of value.
- **Supplemental Information** – This tax does not apply to estates of \$15,000 or less in value.

Transient Occupancy Tax

- **Legal Authority** – Article X of the Constitution of Virginia; Code of Va. § 58.1-3819 et seq.; Loudoun County Ordinances § 4-878. Code of Virginia § 58.1-1744 (regional TOT).
- **Description** – This tax is imposed on the rental of lodging or sleeping accommodation for fewer than thirty consecutive days by hotels, motels, boarding houses, campgrounds, and other such facilities provided the facility is able to house four or more persons simultaneously. Beginning, September 1, 2021, the tax is imposed on the total price paid by the customer, including any third-party accommodation fees. The County is not authorized to levy this tax within incorporated towns which impose their own transient occupancy tax unless the town allows it to do so. Based on changes to the Virginia code enacted in 2025, accommodation intermediaries (online booking platforms) now directly remit taxes for many small operators.
- **Administration** – Businesses subject to this tax file a return with the Commissioner of the Revenue in the month following the end of each calendar quarter with the tax proceeds remitted to the County Treasurer. Effective for tax year 2026 (starting January 1, 2026), the ordinance was amended so that any business owners offering overnight stays only through online platforms could file an annual affidavit by January 20 of the tax year in lieu of monthly filings (a change enabled by code changes enacted in 2025 by the General Assembly).
- **Tax Rate** – The local tax rate is 5 percent of the proceeds from lodging room rental, including accommodation fees. Two-fifths of the revenue accrues to the General Fund and is reflected in this chapter, while the remaining three-fifths is directed to the Restricted Use Transient Occupancy Tax Fund¹. The Restricted Use Transient Occupancy Tax must be used to promote travel and tourism to the County. Beginning July 2013, an additional 2 percent regional transient occupancy tax was levied on all hospitality facilities within the County bringing the total TOT in Loudoun to 7 percent. Through FY 2018, the proceeds of this regional tax were directed to the NVTa to fund regional and local transportation improvements. Beginning in FY 2019, the regional TOT revenue was remitted from NVTa to the Northern Virginia Transportation Commission to be used for capital expenditures for the Washington Metropolitan Area Transit Authority (WMATA). Effective May 1, 2021, the regional component of the transient occupancy tax was increased to 3 percent by action of the 2021 General Assembly. The current total tax rate is 8 percent although only the 2 percent unrestricted local portion is reflected in this section.
- **Supplemental Information** – This tax does not apply to the use of meeting or conference rooms (§ 58.1-3826). Nor does Loudoun County apply the tax to facilities capable of accommodating fewer than four persons. In 2018, the Board of Supervisors adopted a new chapter to the Codified Ordinances entitled Short-term Residential Rental Registration Ordinance to cover homeowners or long-term leaseholders, etc. who host short-term rentals out of their homes, which is often done through internet-based platforms such as Airbnb. These individuals are required to register annually with the County and to collect and remit TOT taxes from their rental operations.

Short-Term Rental Tax

¹ More information can be found in the Other Funds section of this document (see Restricted Use Transient Occupancy Tax Fund pages)

- **Legal Authority** - Code of Virginia § 58.1-3510.4 through 58.1-3510.7; Loudoun County Ordinances § 4-880.
- **Description** - This tax is imposed on the rental of short-term rental property, which while tangible would normally be taxable as business personal property. Property normally subject to this tax includes party rental equipment, tools, and clothing rentals. The tax is paid by the person renting the property, not the owner of the business.
- **Administration** - Quarterly tax returns and payments must be filed with the Commissioner of the Revenue with payment to the Treasurer.
- **Tax Rate** - The tax rate is 1.0 percent of the proceeds from short-term rentals in addition to the Virginia state sales tax.
- **Supplemental Information** - This tax does not apply to the daily rental of passenger vehicles.

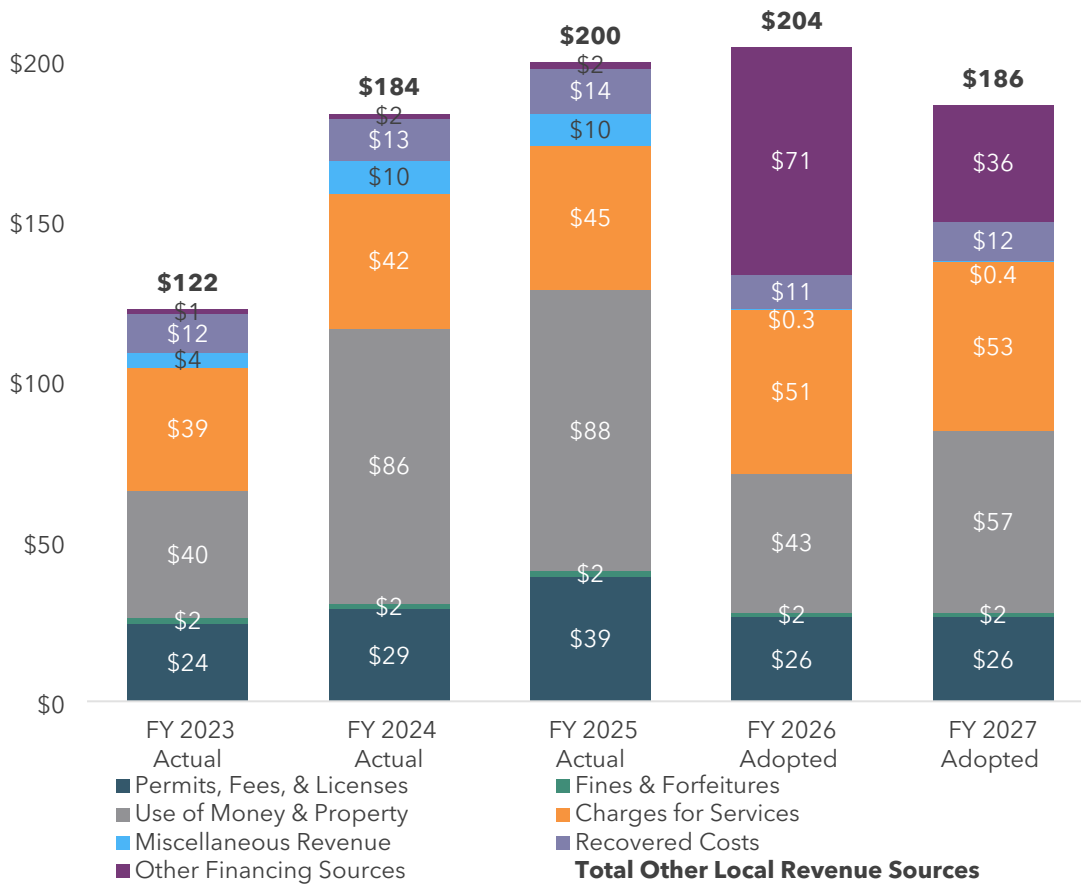
Other Local Sources of Revenue

Other Local Revenue have generally been increasing over the last few fiscal years after the post-COVID 19 economic recovery of the broader region. **Use of Money & Property**, which is primarily comprised of revenues from interest on investments, declined significantly during the pandemic as the Federal Reserve reduced interest rates. As interest rates have increased and have remained elevated in the post-pandemic era, this revenue has exceeded pre-pandemic levels and is expected to continue exceeding expectations. **Charges for Services** also saw significant disruption during the pandemic as in-person programming for PRCS was limited and the Board suspended the revenue neutrality policy for transit services but has since sharply recovered in the post-pandemic era¹. PRCS programming has recovered and continues to grow and landfill fee/operational revenues have also increased (albeit as a restricted use revenue). **Permits, fees, and license revenue** have remained relatively constant, buoyed by ongoing real property development in the County, with notable levels of activity in FY 2025 (driven largely by data center development in response to land use zoning policy changes). However, broader market and economic challenges due to federal policy changes limit expectations for the revenue to perform in line with general historic norms.

Miscellaneous Revenue for prior years includes the return of unspent funds to the County by LCPS at the end of the fiscal year. These funds are shown in the year after that in which LCPS recognized the savings and are not part of the adopted budget. The larger values in **Other Financing Sources** shown in the budget columns are reflective of the use of prior-year fund balance in the amount of \$69 million in Adopted FY 2026 and \$34 million in Adopted FY 2027. This is a budget only account. Additionally, prior years included a transfer from the Debt Service Fund to fund staff associated with the program. Beginning in FY 2023, those staff were directly funded in the Debt Service Fund. **Recovered Costs** as shown in material later constitutes reimbursement monies the County receives from varied programs and partnerships (such as Medicaid reimbursements) and is a fairly consistent performing revenue.

¹ More information about transit service revenue can be found in the budget narrative for the Department of General Services.

FY 2027 Adopted Budget



PERMITS, FEES, AND LICENSES

	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted	FY 2027 Adopted
Animal Services					
Dog Licenses	469,369	458,005	471,388	460,000	460,000
Petshop And Dealers Fee	600	750	600	250	250
Vicious And Dangerous Dog License	3,450	3,345	3,515	2,500	2,500
Subtotal-Animal Services	473,419	462,100	475,503	462,750	462,750
Sheriff					
False Alarm Fee	163,255	247,577	211,112	300,000	300,000
Pawn Broker License Fees	1,800	1,600	2,000	1,200	1,200
Precious Metal And Gem Buyer License	200	-	-	-	-

FY 2027 Adopted Budget

	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted	FY 2027 Adopted
Solicitor Permits	2,150	1,395	1,230	4,000	4,000
Weapons Permits	90,061	78,293	92,301	70,000	70,000
E - Citation Service Fee	88,674	94,958	104,821	-	-
Leosa Fees	1,480	2,693	1,820	-	-
Subtotal-Sheriff	347,621	426,515	413,284	375,200	375,200

Health

Boca Clearance Fees County	12,550	3,000	350	10,000	10,000
Health And Sites Evaluation County	2,760	5,067	19,250	4,000	4,000
Prec Test Monitoring Fees County	-	-	-	1,000	1,000
Replacement Well Fees County	500	-	-	500	500
Sanitation And Water Permits And Fees County	49,472	202	-	40,000	40,000
Sanitation Licenses County	9,940	10,934	11,644	14,200	14,200
Septic Tank Permits County	41,950	40,400	40,800	40,000	40,000
Swimming Pool And Permits County	69,520	27,485	24,750	55,000	55,000
Technical Sewage Plan Review Fees County	13,050	37,650	37,500	8,000	8,000
Water Supply Licenses County	3,569	3,825	3,213	4,000	4,000
Well And Septic Reinspection Fees County	1,750	-	-	400	400
Annual Restaurant Permits State	-	55,640	55,800	50,000	50,000
Campground - E.H.Permits Fee State	-	80	40	-	-
Certification Letter With Ose/Pe State	-	5,890	8,060	9,400	9,400
Hotels - E.H. Permit Fee State	-	2,200	2,320	2,300	2,300

FY 2027 Adopted Budget

	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted	FY 2027 Adopted
Onsite Sewage Construction Permit (1000Gpd) With Ose/Pe State	-	8,340	4,170	52,000	52,000
Onsite Sewage Construction Permit Less 1000Gpd State	-	42,130	43,860	4,600	4,600
Rest.E.H. Plan Review Fee State	-	6,080	7,440	5,200	5,200
Summer Camp - E.H. Per.Fee State	-	-	361	-	-
Temporary E.H.Permit Fee State	-	3,830	8,280	4,500	4,500
Vital Statistics Fees State	-	47,492	51,084	20,000	20,000
Well Permit Fees State	-	60,300	53,700	100,000	100,000
New Large Sds County Fee	-	1,000	600	-	-
Subtotal-Health	205,061	361,545	373,222	425,100	425,100

Building & Development

Appl - Appeals	1,400	1,400	0	1,400	1,400
As - Built Submission Fees	16,525	120,160	101,975	40,000	40,000
Blad - Boundary Line Adjustments	158,685	162,360	191,985	160,500	160,500
Bond Final Release Fees	299,130	261,075	250,210	257,400	257,400
Bond Reduction Processing Fees	64,290	43,635	30,730	57,700	57,700
Building Permits	12,765,489	16,406,491	25,679,923	13,626,000	13,626,000
Capa - Cert Of Appropriateness - Admin	900	-	-	-	-
Capp - Cert Of Appropriateness - Hdrc	420	960	1,860	-	-
Cmpt - Commission Permits	18,174	62,910	3,845	32,000	32,000
Cpap - Construction Plans And Profiles	340,465	291,801	466,550	293,200	293,200
Electrical Permits	1,070,402	1,198,002	1,349,065	1,023,900	1,023,900

FY 2027 Adopted Budget

	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted	FY 2027 Adopted
Erosion And Sediment Control Permits	1,105,081	1,033,705	1,155,231	1,069,400	1,069,400
Esmt - Easement	133,720	89,286	72,602	150,000	150,000
Fidp - Final Development Plan Fee	-	-	-	20,100	20,100
Fire Permits	634,742	552,295	675,622	592,000	592,000
Fpal - Floodplain Alterations (Type Ii)	50,000	26,000	66,700	30,000	30,000
Fpst - Floodplain Study Fees	84,010	70,765	55,720	77,900	77,900
Lda - Base Density Division (Sbbd)	-	11,435	4,645	3,800	3,800
Mechanical Fees	428,393	516,623	537,807	468,900	468,900
Occupancy Permits	184,870	551,525	451,419	300,000	300,000
Overlot Grading Fees	305,660	410,440	207,080	424,100	424,100
Performance Bond Extension Fees	220,200	155,500	381,590	152,000	152,000
Plumbing Permits	747,539	853,003	849,988	800,000	800,000
Poco - Plat Of Correction	10,680	3,560	-	2,500	2,500
Rest - Rural Site Plan Fees	14,200	32,740	5,960	5,000	5,000
Road Dedication Plats	120,520	136,628	182,421	127,300	127,300
Sbex - Subdivision Exceptions	-	-	2,145	500	500
Sbfm - Family Subdivisions	-	855	5,545	800	800
Sbpl - Preliminary Subdivisions	44,375	50,440	111,440	63,100	63,100
Sbpr - Preliminary Record Subdivisions	134,570	145,020	176,325	139,500	139,500
Sbrd - Record Subdivisions	51,430	9,751	54,875	116,000	116,000
Sbww - Subdivision Waiver	71,465	47,739	28,585	43,900	43,900
Sidp - Special Exception For Sign Dev Plan	-	-	-	17,101	17,101

FY 2027 Adopted Budget

	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted	FY 2027 Adopted
Sign Permits	93,415	93,550	102,805	103,000	103,000
Soils Map Reviews And Mapping Fees	-12,210	10,770	10,770	6,300	6,300
Spam - Site Plan Amendments	180,554	181,450	243,105	190,000	190,000
Spel - Special Exception Error In Bldg Loc	-	460	-	-	-
Spex - Special Exceptions	94,609	165,610	285,483	170,800	170,800
Spmi - Minor Special Exception	15,445	22,855	13,810	11,000	11,000
Stpl - Final Site Plans	989,515	1,053,254	995,216	830,000	830,000
Vari - Zoning Variances	805	805	3,220	-	-
Wauv - Fms Waiver Fees	7,350	12,810	10,980	24,900	24,900
Zcor - Zoning Correspondence	76,815	71,655	88,360	64,900	64,900
Zcpa - Zoning Concept Plan Amendments	101,878	167,244	96,143	147,100	147,100
Zmap - Rezoning	512,132	374,254	334,981	408,600	408,600
Zmod - Rezoning Ordinance Modification	14,050	9,820	2,576	24,800	24,800
Zoning Permits	990,955	1,216,135	1,088,335	1,200,000	1,200,000
Zrtd - Rezoning In The Rt 28 Tax District	19,278	-1,904	238	8,000	8,000
Vsmp Application Fee	391,553	252,200	312,710	248,100	248,100
Vsmp Modification Transfer	260,467	65,181	10,445	192,300	192,300
Vsmp Renewal - Annual	21,627	456,010	436,529	23,500	23,500
Vsmp Renewal - 5 Yr	-	10,715	4,675	-	-
Wauv - Fms Waiver Fees - Pz	7,140	8,330	7,140	-	-
Permit Levy	314,360	400,307	550,271	272,500	324,510
Traffic Data Collection Fee Revenue	5,610	37,654	13,495	650,000	650,000
Traffic Warrant Study Fee Revenue	-	32,027	286,300	650,000	650,000

FY 2027 Adopted Budget

	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted	FY 2027 Adopted
Subtotal- Building & Development	23,162,682	27,887,295	37,999,430	25,321,801	25,373,811
Other					
Agric And Forestral District - Withdrawal Fee	2,000	1,500	500	-	-
Land Use Tax Application Fees	116,705	99,873	95,193	100,000	100,000
Refuse Vehicle Hauling Licenses	21,860	19,120	19,030	15,000	15,000
Solid Waste Facility Permits	11,203	7,530	7,500	10,000	10,000
Transfer Fees	9,805	9,577	10,409	10,000	10,000
Revitalized Re Application Fee	400	150	-	-	-
Penalty Late Fees Community Development	-	9,769	60	-	-
Subtotal-Other	161,973	147,518	132,691	135,000	135,000
Permits, Privilege Fees, and Regulatory Licenses	24,350,756	29,284,973	39,394,130	26,719,851	26,771,861

- **Description** - The County charges fees for permits and licenses required to regulate a variety of activities within the County related to building construction, public health, and public safety. The permit fees are listed in the table above and are organized into five groups according to their purpose and/or permitting source. Of the five groups, building fees represent the greatest amount of revenue, with Building Permits being the largest single source of annual permit revenue.
- **Administration** - Fees for licenses and permits are approved by the Board of Supervisors and are collected by the County departments having regulatory authority for a particular activity.
- **Supplemental Information** - Forecasts of future permit and license fee revenue are prepared using an economic model and in consultation with the departments that are responsible for issuing the permit(s) based upon their expertise and knowledge of the activities for which they are responsible. An updated land development fee schedule took effect in FY 2023 and was incorporated in the amounts shown in the previous table. The increase in fees resulted in an appreciable increase in actual fee revenue in FY 2024 and more so in FY 2025, as data center developers moved to secure permits ahead of land use policy changes in the County. The fees are budgeted at a level slightly greater than FY 2023 actuals but less than those in FY 2024-2025, in anticipation that revenues could moderate or

decline from FY 2025 actual levels depending on impacts of the current economic environment on commercial/residential development activity.

As previously noted, the transition to local administration of the Health Department has created several new fees for the Health Department, which are reflected in the above table. Other new fees include the traffic data collection fee and the traffic warrant study fee which are intended to offset the costs of traffic studies.

FINES AND FORFEITURES

	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted	FY 2027 Adopted
Animal Law Violation Fines	2,270	3,966	20,527	6,000	6,000
Court Fines And Forfeitures	1,391,242	1,416,205	1,431,602	1,120,000	1,120,000
Delinquent Charges_Late Fees	10,061	16,530	13,962	10,000	10,000
Environmental Health Violation Fines	31,076	7,102	5,233	50	50
Erosion And Sediment Control Violation	-	-	3,250	-	-
Fire Lane Violation Fines	133,980	126,449	139,533	206,650	206,650
Overdue Book Fines	(198)	0	-	-	-
Parking And Traffic Fines - Dulles Airport	139,895	143,310	189,245	140,000	140,000
Parking Fines	4,106	3,528	6,646	-	-
Zoning Violation Fines	16,922	11,480	17,026	32,000	32,000
Total-Fines & Forfeitures	1,729,355	1,728,569	1,827,023	1,514,700	1,514,700

- **Description** - State law authorizes the County to impose various monetary fines for violating County ordinances and regulations (The imposition of a fine is subject to judicial review if the party charged with a violation opts to appeal it). Some violations of local law enable the County to take ownership of assets associated with the violation, and the proceeds from the sale of these "forfeited" assets is a source of revenue.
- **Administration** - Fines and forfeitures are imposed by the County department that is responsible for enforcing a particular area of law and/or regulation.
- **Supplemental Information** - Forecasts of future fine and forfeiture revenue are prepared by the department that is responsible for enforcing County laws and regulations.

USE OF MONEY AND PROPERTY

	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted	FY 2027 Adopted
Interest On Investment	36,512,584	76,693,619	83,310,301	40,000,000	50,485,094
Interest On Investment Contra Acct	(15,018)	(12,299)	(41,461)	-	-
Interest On Loans	12,930	10,447	9,087	-	-
Gain On Sale Of Investments - Realized	-	18,050	109,181	-	-
Gain On Investments - Unrealized	1,110,060	5,438,546	796,778	-	-
Rental Fee - General Property	74,919	82,875	31,476	290,981	3,254,065
Rental Fee - Recreational Property	1,486,716	2,689,769	2,802,013	2,506,401	2,486,401
Rental Fee - Concessions And Commissions	25,652	29,781	61,357	40,703	40,703
Sale Of Artworks	3,382	3,536	1,209	4,000	4,000
Sale Of Concession	69,993	56,924	52,811	99,189	99,189
Sale Of Materials And Supplies	59,629	52,489	34,812	56,413	36,413
Sale Of Salvage And Surplus	248,132	434,085	230,675	250,000	250,000
Total-Use of Money & Property	40,079,393	85,844,698	87,839,076	43,247,687	56,655,865

- **Description** - The County realizes revenue from the investment of General Fund balances during the fiscal year. The rental of County facilities for public use and the sale of concessions at various events also generate revenue for the County.
- **Administration** - Individual departments administer the realization of money from the use of County money and property. Historic and projected revenue from this source is reported in the budget pages of the various departments involved. The Department of Parks, Recreation, and Community Services and the Office of the Treasurer are the two largest sources of this revenue. General property revenue is typically attributed to the Department of General Services.
- **Supplemental Information** - Forecasts of future revenue from the use of money and property are projected by the responsible department in County government. The forecast of revenue from Interest on Investments is regularly reviewed by the Revenue Committee.

FY 2027 Adopted Budget

CHARGES FOR SERVICES¹

	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted	FY 2027 Adopted
Clerk of the Circuit Court					
Clerk Of Court Copy Fees	29,476	34,573	42,593	45,000	45,000
Excess Fees Of Clerks	682,392	671,962	794,611	700,000	700,000
Subtotal-Clerk of the Circuit Court	711,867	706,535	837,203	745,000	745,000
Public Safety					
Accident Report Charges	35,290	36,990	36,560	27,000	27,000
Courthouse Security Fees	263,443	311,319	340,430	400,000	400,000
Dna Analysis Fees	1,680	1,924	2,515	4,200	4,200
Fingerprinting Charges	2,488	2,330	1,831	9,900	9,900
Good Conduct Letter	310	285	233	550	550
House Arrest Fees	1,320	3,240	4,695	5,000	5,000
Incident Reports	680	2,190	1,842	2,000	2,000
Loss Of Summons Copy	30	50	30	30	30
Record Check Charges	2,765	2,876	3,199	6,400	6,400
Sheriff Fees - ADC	8,847	8,972	8,926	23,000	23,000
Sheriff Fees - Civil Process	7,907	7,907	8,657	7,910	7,910
Supervision Fees	0	15,746	3,495	-	40,000
Subtotal-Public Safety	324,760	393,829	412,412	485,990	525,990
Animal Services					
Animal Adoption Fees	160,194	143,152	147,451	100,000	125,000
Veterinary Clinic Fees	-	-	62,132	-	40,000
Animal Protection Charges	10,630	11,390	10,267	15,200	15,200
Board Of Animals	1,505	2,220	1,240	8,000	8,000

¹ With the transition to local administration of the Health Department, the FY 2024 and future Budgets include several new County revenues that reflect revenues previously captured on the state side of the Health Department's budget.

FY 2027 Adopted Budget

	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted	FY 2027 Adopted
Ore Disposal Fee	538	525	425	750	750
Subtotal-Animal Services	172,866	157,287	221,514	123,950	188,950
Landfill					
MSW	11,560,391	12,122,889	12,323,684	15,274,392	15,943,836
Sale - Recycle - Scrap Metal	136,577	108,773	109,491	100,000	100,000
Sale - Recycle - Waste Oil Battery And Antifreeze	6,377	6,618	6,967	6,000	6,000
Subtotal-Landfill	11,703,345	12,238,280	12,440,142	15,380,392	16,049,836
Library Services					
Inter - Library Loan Fees	1,906	434	3	-	-
Damaged And Lost Books Fees	30,991	31,585	29,331	35,049	35,049
Passport Processing Fee	165,015	192,909	182,420	155,750	155,750
Passport App Photo Proc Fee	59,985	71,220	66,450	29,850	49,850
Print Management Services	556	18,271	63,402	-	60,000
Subtotal-Library Services	258,453	314,420	341,606	220,649	300,649
Mental Health, Substance Abuse, and Developmental Services (MHSADS)					
Aftercare Service Fees	-	866	-	4,000	4,000
Court Evaluation Charges	123,098	135,299	175,734	100,000	100,000
Day Treatment Clinic Fees	1,964	3,881	4,684	5,000	5,000
Labs And Meds	425	902	1,266	-	-
Outpatient Clinic Fees	46,314	41,841	91,838	78,000	78,000
Parent - Infant Development Fees	93,921	181,115	119,109	110,000	110,000
Residential Service Fees	289,754	335,181	295,789	300,000	300,000
Substance Abuse Counselor Fees	17,333	7,516	9,289	50,000	50,000
Subtotal-MHSADS	572,810	706,601	697,709	647,000	647,000

FY 2027 Adopted Budget

	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted	FY 2027 Adopted
Parks, Recreation, and Community Services (PRCS)					
Admission Charges	2,481,213	2,749,853	2,818,567	3,633,566	3,693,566
After School Activity Fees	8,047,885	8,544,647	9,187,287	10,710,225	10,231,781
Cafeteria Sales	6,098	2,520	635	22,544	22,544
Community Center Fees	1,433,887	1,300,251	1,582,494	2,146,292	2,318,631
Daycare Fees	1,117,201	1,310,841	1,407,186	1,770,489	1,697,304
Group Event Fees	1,035,243	1,476,119	850,165	1,243,954	1,243,954
League Sports Fees	286,364	272,408	248,267	315,556	315,556
Preschool Fees	2,612,049	2,607,462	2,740,323	3,961,239	3,658,528
Recreation Fees	550,502	517,676	682,428	920,919	953,569
Respite Care Fees	402,317	563,955	532,150	326,636	326,636
Summer Camp Fees	2,253,916	2,280,246	2,758,040	3,366,239	3,198,260
Swimming Pool Fees	290,380	336,130	284,450	278,658	278,658
Tournament Fees	42,021	55,949	90,245	57,535	57,535
Transportation Fees For Group Events	31,440	35,964	43,422	53,204	53,204
Youth Sports User Fees	1,038,217	720,727	1,278,862	934,486	934,486
Subtotal-PRCS	21,628,732	22,774,748	24,504,520	29,741,542	28,984,212
Health					
Communicable Health Services	-	102,759	98,750	50,000	50,000
Dental Health Serv. Fees	-	4,414	3,129	4,500	4,500
Family Planning Services	-	83,093	24,825	45,000	45,000
Immunization Services	-	150,553	91,877	295,000	295,000
Medicaid Dental	-	52,001	31,555	36,000	36,000
Nursing Home Screening Sr	-	178,522	189,978	140,000	140,000
VFC Admin Fed DMAS	-	44,236	7,011	13,000	13,000
Child Health Services	-	18,971	20,766	-	-
Minor Modification	-	2,200	2,100	-	-

FY 2027 Adopted Budget

	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted	FY 2027 Adopted
County					
Summer Camp Plan Review State	-	-	40	-	-
Hotel Motel Plan Review State	-	160	120	-	-
Subdivision Site Fee County	-	884	3,276	-	-
Subdivision County Fee	-	479	-	-	-
Well Permit Fees County	-	41,006	36,158	-	-
Well Abandonment State	-	11,700	21,300	-	-
Repair Permit for Onsite Sewage System < 1000 GPD With OSE PE Doc State	-	12,920	10,750	-	-
Vol Upgrade for Onsite Sewage System < 1000 GPD With OSE PE Doc State	-	-	215	-	-
Vol Upgrade for Onsite Sewage System > 1000 GPD With OSE PE Doc State	-	-	1,390	-	-
Minor Modification State	-	4,310	3,780	-	-
Safe Adequate And Proper Eval Without Ose Pe Installer Operator Doc Stat	-	140	-	-	-
Safe Adequate And Proper Eval With Ose Pe Installer Operator Doc State	-	1,650	3,150	-	-
Septic Cert Letter County	-	4,000	5,200	-	-
Annual Inspection Of Alternative Discharge System State	-	675	1,425	-	-
Bed And Breakfast Permit State	-	40	-	-	-
Pool Plan Review County	-	368	736	-	-
Public Well County	-	976	1,708	-	-

FY 2027 Adopted Budget

	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted	FY 2027 Adopted
Modification County	-	2,020	1,414	-	-
Additional Wells Rig(S)	-	267	-	-	-
Seasonal Pool Permit County	-	49,060	57,200	-	-
Health Dept Rural Fee-Misc	-	-	1,068	-	-
Subtotal-Health	-	767,404	618,921	583,500	583,500

Other Service Fees

Administration Fees	6,902	13,724	18,793	4,500	4,500
Case Management Fees	9,624	17,620	19,656	50,000	50,000
Collection Fees - Bad Checks	14,763	19,529	22,262	15,500	15,500
Collection Fees - Delinquent Taxes	836,073	923,757	1,081,317	550,000	550,000
Commonwealth S Attorney Fees	5,606	6,757	4,910	10,000	10,000
Commuter Bus Advertising	22,947	84,935	45,663	0	0
Commuter Bus Fares	1,897,283	2,487,141	2,836,326	2,146,200	3,600,000
Electric Vehicle Charging Service Fee	142	120	8,921	4,000	6,000
Emergency Service Fees	40,078	39,190	54,653	99,800	99,800
Freedom Of Information Fees	50,390	56,931	53,387	35,500	35,500
Hydrogeologic Fees	871	871	1,742	850	850
Well And Septic Evaluation Charges	660	1,540	220	5,300	5,300
Credit Card Fees	46,562	53,906	77,084	85,500	85,500
Collection Fees - Towns	352,282	377,903	439,525	303,845	303,845
Sale - Cartographic Maps	1,847	1,247	1,056	1,500	1,500
Sale - Digital Data	1,678	2,189	1,352	3,500	3,500
Sale - Publication	1,650	409	15	6,000	6,000
Other Charges For Services	-	0	0	0	0
Subtotal-Other	3,289,356	4,087,769	4,666,883	3,321,995	4,777,795

FY 2027 Adopted Budget

	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted	FY 2027 Adopted
Total-Charges for Services	38,662,190	42,146,872	44,740,911	51,250,018	52,802,932

- **Description** - Several County agencies provide services to residents and others for which the user pays a fee to defray the cost. The magnitude and structure of these charges depends on the nature of the service. The table above is organized in eight segments largely according to department or service line.
- **Administration** - Individual departments administer the charges for the services that they provide. Historic and projected revenue is reported in the budget pages of the responsible department. The departments of General Services (landfill); Parks, Recreation, and Community Service; and Transportation and Capital Infrastructure are the largest sources of this revenue. Landfill revenues are typically reserved for current and future landfill operations and capital expenditures and not for general government purposes.
- **Supplemental Information** - Forecasts of future revenue from charges for services are prepared by the responsible department in County government.

MISCELLANEOUS REVENUE

	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted	FY 2027 Adopted
Contributions - Health And Pension	-	5,000	-	-	-
Donations - Private Sources	118,895	290,593	285,935	44,200	44,200
Donations - Other Organizations	50	64	-	-	-
Sale Of Machinery And Equipment	160,452	56,282	17,274	-	-
Sale Of Vehicles	-	29,000	-	-	-
Rebate - Solar Renewable Energy Credits	4,228	3,224	5,608	0	5,000
Rebate - Other	238,824	292,927	298,223	200,000	300,000
Discount Taken	-	11	-	-	-
Overpayment To Be Refunded	(90)	-	-	-	-
Primary Fees	10,884	-	0	-	-
Payment From LCPS	769,227	9,060,907	9,244,201	-	-
I66 Toll Revenue	920,561	493,544	291,038	-	-
Opioid Settlement Funds - Janssen Pharma	0	-	-	-	-

FY 2027 Adopted Budget

	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted	FY 2027 Adopted
Other Misc Revenue	2,261,732	147,433	66,881	20,700	20,200
Total- Miscellaneous Revenue	4,484,762	10,378,984	10,209,159	264,900	369,400

- **Description** – Miscellaneous Revenue includes any source of funds that does not fit into any of the other revenue categories. Revenues in this category include such items as monetary gifts from private donors (typically made to County libraries, community centers, or recreation programs). The payment from LCPS reflects the excess LCPS funding for the previous fiscal year. I-66 Toll revenues are restricted for regional transit projects.
- **Administration** – These revenues are administered by individual departments.

FY 2027 Adopted Budget

RECOVERED COSTS

	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted	FY 2027 Adopted
Medicaid Reimbursements	5,218,491	4,774,909	4,776,424	4,606,933	4,781,014
Extraditions Of Prisoners	49,798	53,144	76,173	45,000	45,000
Housing Prisoners - Fed	2,805	165	8,415	1,000	1,000
Housing Prisoners - State	368,152	520,717	642,065	800,000	800,000
Medical Co - Payments	6,290	9,488	8,422	9,000	9,000
Prisoners Keep	52,630	58,520	67,816	115,000	115,000
Room And Board Work Release	13,633	21,798	10,764	60,000	60,000
Doc Inmate Medical Care Reimb	-	-	-	5,000	5,000
CSA - MH Services	59,097	84,237	127,662	30,000	85,000
Charges By Other Insurance	362,142	460,005	445,015	375,000	375,000
HCV Port In	0	-	-	-	-
JDC - Per Diem	56,630	92,479	124,974	94,960	94,960
MHSADS Services	-	-	-	22,500	22,500
Mailing	-	0	-	-	-
Vehicle Replacement	-	0	-	-	-
Swcdb Personnel	659,014	884,309	990,963	1,090,375	1,207,875
Prs Facility Supervisors	253,816	289,138	280,317	204,700	204,700
Protective Services	922,573	1,473,727	1,220,987	750,000	1,000,000
Task Force Reimbursement	58,144	44,851	44,447	-	-
Foundations or Non-Profit	-	8,453	26,325	-	-
Misc Reimbursements - Recovered Costs	4,107,274	4,373,191	5,334,751	2,428,599	3,395,222
Total-Recovered Costs	12,190,490	13,149,132	14,185,520	10,638,067	12,201,271

- **Description** - Several County departments perform services on behalf of the Federal Government, the Commonwealth, and other entities.
- **Administration** -These revenues are administered by individual departments. Historic and projected revenue from this source is reported in the budget pages of the responsible departments including the Sheriff's Office, MHSADS, and PRCS.

FY 2027 Adopted Budget

- **Supplemental Information** - The largest source of Recovered Cost revenue is money paid to the County by insurance companies and the Federal Government for medical services provided by the County, principally Medicaid. All the individual Medicaid reimbursements categories are grouped here into a single total called Medicaid Reimbursements.

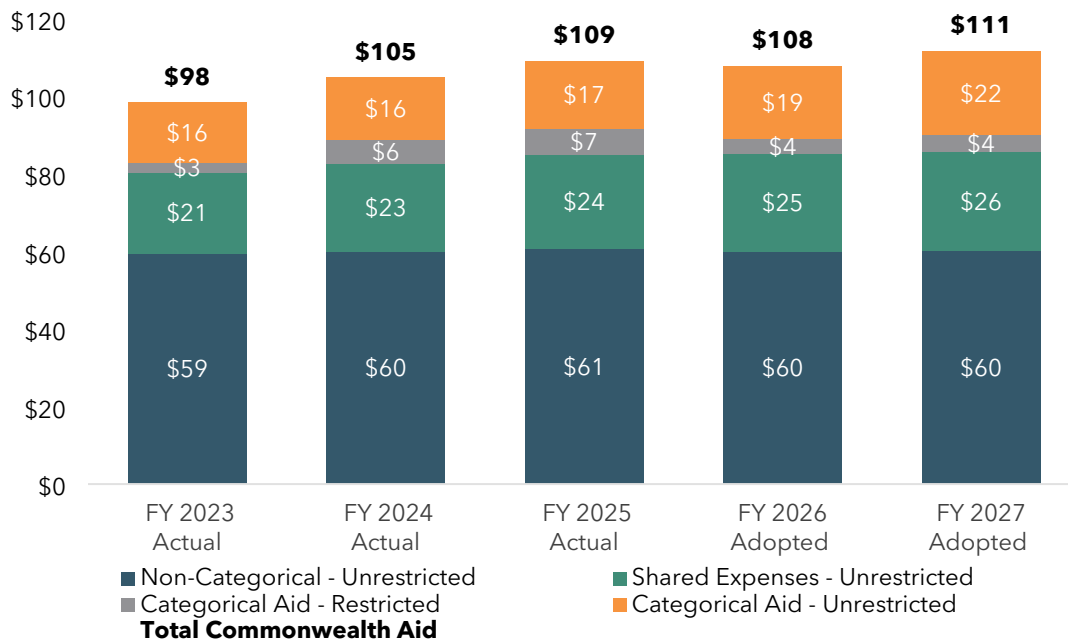
OTHER FINANCING SOURCES

	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted	FY 2027 Adopted
Xfer Fr - To 111X - General Fund - Local Match	0	0	0	0	0
Xfer Fr 1206 - Hotel And Motel (TOT) Fund	468,584	568,584	702,374	727,963	727,963
Xfer Fr 1217 - Animal Trust Fund	15,000	10,000	-	-	-
Xfer Fr 1224 - EMS Transport Reimb Fund	907,620	986,350	1,099,956	1,247,075	1,247,075
Xfer Fr 1228 - Plastic Bag Tax	-	-	-	-	504,178
Xfer Fr 2610 - Central Service Fund	-	-	41,098	-	-
Xfer Fr 2611 - Central Telephone Fund	-	-	95,406	-	-
Use Of Py Fund Balance (Budget Only)	-	-	-	69,244,201	34,000,000
Total-Other Financing Sources	1,391,204	1,564,934	1,938,835	71,219,239	36,479,216

- **Description** - Other Financing Sources is revenue arising from the issuance of bonds and capital leasing agreements, as well as transfers of money between the General Fund and various other funds. The FY 2027 Adopted Budget transfers \$2.479 million from other funds into the General Fund and authorizes the use of \$34 million of unused money (fund balance) from prior years.
- **Administration** - Fund transfers are approved by the Board of Supervisors when adopting the final budget.
- **Supplemental Information** - As a note, the TOT Fund is the Restricted Use Transient Occupancy Tax Fund; as compared to or with unrestricted TOT revenues captured in the County's General Fund.

Previous years budget includes transfers from the Capital Projects Fund and the Debt Service Fund in support of positions charged to the General Fund but that supported those functions. These positions are now directly funded in the respective fund they support, and no transfers are included in the FY 2027 Adopted Budget. More information on these other funds can be found in the Other Funds section in the dedicated pages for that respective fund.

Commonwealth Aid



	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted	FY 2027 Adopted
State Non Categorical Aid - Unrestricted	59,432,311	59,736,370	60,749,963	59,970,701	59,970,701
State Shared Expenses - Unrestricted	20,732,594	22,884,366	24,023,358	25,016,412	25,738,262
State Categorical Aid - Unrestricted	2,562,729	6,028,168	6,787,517	3,847,047	4,212,377
State Categorical Aid - Restricted	15,573,169	16,092,398	17,391,242	18,792,079	21,574,900
Total- Commonwealth Aid	98,300,803	104,741,301	108,952,079	107,626,239	111,496,240

• **Description** - The Commonwealth of Virginia provides four types of aid to the County where the types are based upon the conditions, if any, attached to the County's use of the funds.

- *Non-Categorical Aid* represents unrestricted state revenues and includes \$48 million in Personal Property Tax Relief funds from the State as well as four percent state-imposed daily vehicle rental revenues, and the localities share of a 50 cent (per \$500

of value) grantor's tax on the filing of deeds of real property. In accordance with the Code of Virginia § 58.1-802, one-half of the funds collected from the grantor's tax are deposited into the state treasury and one-half remitted to the locality.

Personal Property Tax Relief monies offset a portion of the personal property tax on the first \$20,000 of assessed value on personal-use vehicles housed within the County. In calendar 2025, the State's contribution covered an estimated 28 percent of the personal property tax levy on qualifying vehicle value. For calendar year 2026, it is estimated at 41 percent, in part because of significant reductions on the vehicle personal property tax rate. Over time, this percentage will decline as the fixed value of the State's annual contribution is spread across a growing number of vehicles registered in the County.

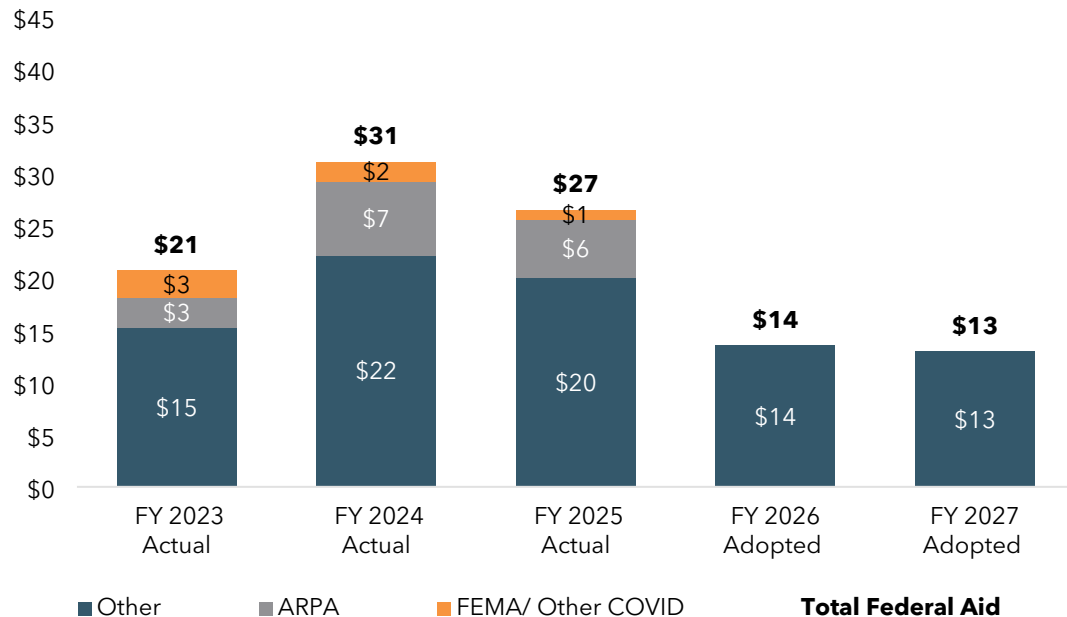
The four percent state-imposed daily vehicle rental tax is primarily generated through passenger traffic at Dulles International Airport.

While the General Fund receives the tax revenues from a 3 percent grantor's tax on the filing of deeds of real property, there is also a regional grantor's tax, referred to as the regional congestion relief fee, that is remitted to the NVTa. This additional tax was effective July 1, 2020, at a rate of \$0.005 per \$100 of recorded value and was subsequently increased to \$0.010 per \$100 of recorded value effective May 1, 2021. Revenue from the regional tax is directed to the NVTa for regional transportation projects. The County receives 30 percent of the regional congestion relief fee revenues generated in the County; these revenues are a component of the NVTa 30% funding source reflected in the Six-Year Capital Improvement Program.

- *Shared Expenses* partially reimburse the County for the costs to operate the county offices established in the State Constitution: the Commissioner of the Revenue, the Treasurer, the Clerk of the Circuit Court, the Commonwealth's Attorney, and the Sheriff. These reimbursements are distributed to localities via the Virginia Compensation Board. Additionally, these revenues include reimbursements for Elections and Voter Registration.
- *Categorical Aid* must be used for State-designated programs or purposes.
 - o Unrestricted aid gives localities broader discretion on how funds are used. Unrestricted Categorical Aid in the FY 2027 Budget includes funding for the Youth Services Department and the Department of Mental Health, Substance Abuse, and Developmental Services (MHSADS).
 - o Restricted aid specifies how the funds must be spent. Restricted Categorical Aid in the FY 2027 Budget includes funding for mandated social service programs in the Department of Family Services (DFS) and MHSADS as well as grant funding for the Department of Community Corrections; Loudoun County Fire and Rescue; the Youth Services Department; Libraries; the Department of Parks, Recreation, and Community Services; DTCl; and the Department of Housing and Community Development.
- **Administration** - The County obtains some of this aid on a recurring basis, while other forms of aid represent grants for which the County must apply based on the criteria of the specific aid program.

- **Supplemental Information** - Typically, the Virginia Compensation Board releases preliminary estimates of funding to localities for constitutional offices by late March. Final allocations are then available in early May.

Federal Aid



	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted	FY 2027 Adopted
Federal Non Categorical Aid - Unrestricted	3,906	4,154	4,291	3,550	3,550
Federal Categorical Aid - Restricted	20,706,116	31,102,398	26,547,372	13,519,247	12,928,933
Total-Federal Aid	20,710,022	31,106,552	26,551,663	13,522,797	12,932,483

- Description** - Federal Aid comes to the County as either Non-Categorical Aid or Categorical Aid. Categorical Aid must be used for federally designated programs or purposes; whereas the Board of Supervisors determines the programs that will receive Non-Categorical Aid.
 - Non-Categorical Aid- Unrestricted* is a payment from the Federal Bureau of Land Management related to tax-exempt parcels of land owned by the National Park Service.
 - Categorical Aid-Restricted* revenues are primarily comprised of reimbursements to DFS for costs incurred for mandated programs; funding for mandated programs in MHSADS, and grants for DTCL.
- Administration** - The County obtains some of this aid "automatically" on a recurring basis, while other forms of aid represent grants for which the County must apply based on the criteria of the aid program.

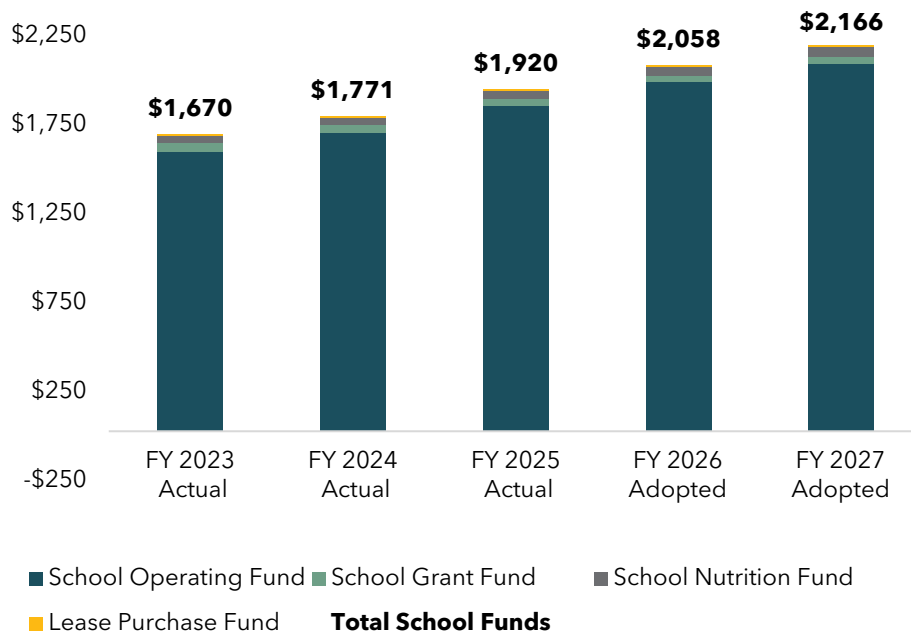
- **Supplemental Information** - Federal Aid traditionally comprises a negligible portion of General Fund revenue, and it has generally declined over the last several years. Given the influx of federal funds in recent years, the above chart separately identifies funds from ARPA, FEMA, and CARES, to more accurately reflect the “ongoing” federal revenues.

School Funds

School operating appropriations include the School Operating Fund, School Grant Fund, School Nutrition Fund, and Lease Purchase Fund. The tables below summarize the appropriation by fund and the revenues by source. The General Fund transfer to the Schools Division is \$1,484,949,364 for FY 2027, an increase of 7.6 percent compared to the FY 2026 Adopted Budget. This represents 71.8 percent of the School Operating Fund appropriation, or 68.6 percent of all School operating appropriations.

SCHOOL OPERATING APPROPRIATIONS

	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2027 Adopted
School Operating Fund	\$1,568,633,420	\$1,676,820,687	\$1,827,397,011	\$1,962,144,782	\$2,066,954,668
School Grant Fund	50,917,312	41,585,155	38,983,341	32,844,591	34,467,146
School Nutrition Fund	40,290,499	42,452,156	43,000,963	53,382,342	54,569,214
Lease Purchase Fund	10,174,541	10,261,574	10,302,400	10,002,000	10,002,000
Total School Funds	\$1,670,015,773	\$1,771,119,572	\$1,919,683,716	\$2,058,373,715	\$2,165,993,028



SCHOOL REVENUES

	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2027 Adopted
Local Funding					
General Fund Transfer	\$1,066,987,677	\$1,153,666,469	\$1,264,595,065	\$1,379,949,364	\$1,484,949,364

FY 2027 Adopted Budget

Interfund Transfer ¹	0	0	0	0	1,598,703
Rebates and Refunds	676,571	596,471	1,599,626	525,000	638,000
Sales of Textbooks	17,449	0	0	22,000	0
E-Rate Reimbursement	1,357,364	2,255,701	2,458,934	1,500,000	2,400,000
Tuition	1,863,386	1,726,355	1,939,644	1,800,000	1,920,300
Use of Buildings	1,216,422	1,396,767	1,414,040	1,075,000	1,350,000
Athletic, Parking, AP Test Fee	1,504,978	776,079	902,652	472,000	922,000
Hughes Foundation	1,363,537	1,178,837	1,018,349	1,000,000	1,000,000
PAVAN ¹	2,965	0	10,837	0	0
Sales of Equip. & Supplies	401,524	417,088	462,532	400,000	493,800
Cafeteria Sales	19,339,051	22,372,680	23,243,200	27,401,263	24,835,631
Lease Proceeds	10,000,000	10,000,000	10,000,000	10,002,000	10,002,000
Miscellaneous	5,574,637	6,426,359	5,723,109	5,185,017	5,966,572
Subtotal - Local Funding	\$1,110,305,560	\$1,200,812,806	\$1,313,367,988	\$1,429,331,644	\$1,536,076,370

Commonwealth Funding

Sales Tax	\$118,779,688	\$110,131,368	\$112,578,754	\$112,102,129	\$115,314,485
Basic Aid	207,458,276	221,282,402	261,431,922	272,598,858	282,637,959
Fringe Benefits	40,907,052	40,848,143	43,652,784	43,568,874	39,213,194
Textbooks	4,909,588	4,902,518	5,810,937	5,790,141	5,398,079
Special Education	23,945,860	24,836,478	30,283,784	31,830,693	36,471,600
Vocation Education	1,782,821	1,407,280	1,814,330	2,351,181	2,142,650
Supplemental Support	14,982,852	14,619,485	16,194,325	14,916,097	14,126,467
SOL Materials/Training	365,747	363,708	580,920	572,420	627,526
Technology Plan	2,604,722	2,545,678	2,546,322	2,546,000	2,546,000
School Nutrition	1,082,470	691,468	800,979	999,228	953,185
No Loss Funding	0	0	0	0	0
Learning Loss Instructional Support	0	0	0	0	0
Hold Harmless	0	0	0	0	0
Other	65,802,139	88,195,971	67,746,233	77,243,054	61,998,694
Subtotal - Commonwealth	\$482,621,214	\$509,824,499	\$543,441,290	\$564,518,675	\$561,429,839

Federal Funding

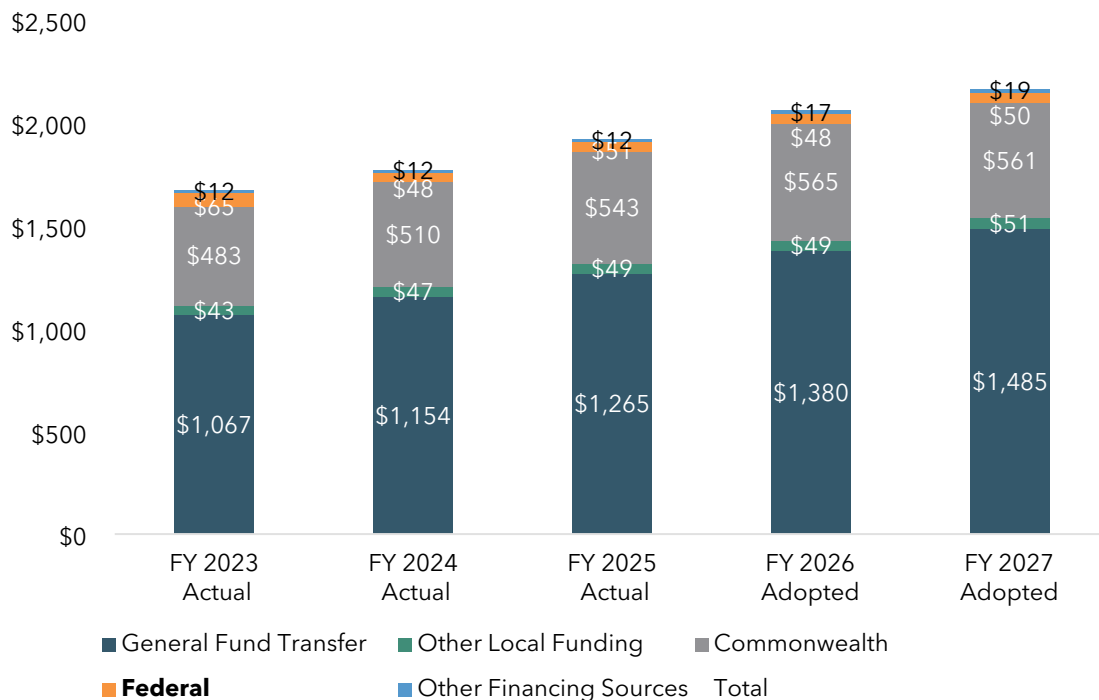
¹ Refers to local funds planned for transfer among the operating funds of LCPS.

FY 2027 Adopted Budget

Title I	\$2,180,058	\$2,269,491	\$2,513,888	\$2,309,588	\$2,205,458
Head Start	1,229,746	1,062,740	1,155,686	1,331,744	1,234,628
Handicapped Education	19,779,072	15,731,728	15,125,147	14,982,338	15,835,746
School Nutrition	19,868,979	19,388,008	18,956,785	20,424,014	19,452,924
Other	22,031,142	10,030,300	13,122,932	8,917,875	10,872,425
Subtotal - Federal	\$65,088,998	\$48,482,267	\$50,874,438	\$47,965,559	\$49,601,181

Other Financing Sources¹	\$12,000,000	\$12,000,000	\$12,000,000	\$16,557,837	\$18,885,638
--	---------------------	---------------------	---------------------	---------------------	---------------------

Total - School Funds	\$1,670,015,773	\$1,771,119,572	\$1,919,683,716	\$2,058,373,715	\$2,165,993,028
Student Enrollment	82,233	82,125	81,694	80,517	80,201



- Administration** - The School Superintendent first presents a proposed budget to the School Board. The Board may adopt or modify the Superintendent's proposal to arrive at its own proposed budget, including the General Fund Transfer amount. The Board of Supervisors must appropriate the General Fund Transfer from the County to the School System, which may or may not fully fund the School Board's request.

¹ Other Financing Sources includes use of fund balance.

Forecast Discussion and Analysis

The Economic Outlook

In FY 2026 the County, and much of the world, has experienced significant economic turbulence as the federal economic policy environment continues to change and develop. The FY 2027 budget was developed within the context of this ongoing turbulence and against the backdrop or risk for local, regional, and national recessions. Given changes and uncertainty in the federal policy environment, the nation, state, and broader MSA are expected to see weaker overall economic growth than in recent fiscal years. The following table highlights the year-over-year change in key regional economic indicators (as reported and forecasted by Moody's Analytics).

Washington, DC MSA Economic Indicators - Change from Previous Fiscal Year

Fiscal Year	GDP	Non-Farm Employment	Retail Sales	Median SFD Price (Existing)
2024	2.7%	1.4%	2.5%	6.6%
2025	2.2%	1.2%	3.8%	4.4%
2026	2.0%	(1.1%)	2.4%	3.1%
2027	1.9%	(0.3%)	2.3%	2.2%

The FY 2027 revenue forecast assumes that Loudoun's economy will continue to grow in 2026 and 2027, despite broader economic turbulence. Forecasted numbers from Moody's Analytics suggest that the rate of growth in Loudoun's GDP, which measures the total dollar value of goods and services produced in the County during a particular time period, generally will outperform the rates of increase in GDP at the national, state, and regional levels in FY 2026 and FY 2027. The table below displays the actual and forecasted year-over-year changes in GDP for the U.S.; Virginia; the Washington, D.C. Metropolitan Statistical Area (MSA); and Loudoun County.

Gross Domestic State/Metro/County Product - Change from Previous Fiscal Year

Fiscal Year	U.S.	Virginia	DC MSA	Loudoun
2024	3.2%	3.1%	2.7%	4.1%
2025	2.3%	2.0%	2.2%	2.7%
2026	2.4%	1.6%	2.0%	3.9%
2027	1.7%	1.4%	1.9%	3.5%

As the economy has continued to expand in the past several years, total non-farm employment in Loudoun County has grown. As shown on the table on the next page, total non-farm employment in Loudoun is forecasted by Moody's to increase by about 2,517 (1.2 percent) between FY 2025 and FY 2026 and grow again by about 2,550 jobs (1.2 percent) between FY 2026 and FY 2027. During the same periods, the broader region is expected to see negative job growth by comparison. This growth in the *total number of jobs* in the County should result in Loudoun's multi-year *unemployment rate*, shown in the last column of the

second table below, only increasing modestly from FY 2025 levels (2.7 percent) to 3.1 and 3.2 percent in FY 2026 and 2027, respectively. These levels would remain within the range most economists would consider “full or close to full employment.” The unemployment rate¹ among Loudoun County residents is projected to be lower than the corresponding rates in the U.S.; Virginia; and Washington, D.C. MSA.

Non-Farm Employment

Fiscal Year	U.S. (millions)	Virginia (thousands)	DC MSA (thousands)	Loudoun (thousands)
2024	156.95	4,219.26	3,359.43	212.38
2025	158.18	4,271.61	3,398.68	215.06
2026	158.53	4,262.53	3,360.27	216.07
2027	158.90	4,265.70	3,350.50	217.84

Unemployment Rate

Fiscal Year	U.S.	Virginia	DC MSA	Loudoun
2024	3.8%	2.8%	2.8%	2.3%
2025	4.2%	3.1%	3.2%	2.7%
2026	4.4%	3.5%	4.0%	3.2%
2027	4.6%	3.5%	3.8%	3.1%

As with any economic forecast, there are upside and downside risks to the forecast. The upside risk currently includes the continued growth and resilience in consumer spending and activity (despite the evolving federal tariff policy), and the stabilization of the federal economic policy environment. Downside risks to the forecast include continuing or increased global geopolitical uncertainty, longer duration or more severe federal tariff policy remaining in place longer than markets expect, and consumers finally pulling back on activity because of tariff-related pricing changes combined with a more difficult and costly interest rate environment.

In terms of development activity, estimates² for 2025 indicate that the County issued building permits for 1,554 new residential dwelling units (single or multi-family) compared to 3,320 units for 2024, a decrease of 53 percent. This year-over-year result reflects the substantial challenges of a heightened interest rate environment continuing to influence affordability considerations and a slowing economy. According to Bright MLS data, the number of sales of existing homes in the County increased by 5.81 percent in 2025 over the previous year while the average monthly median sale price increased 3.6 percent. The inventory of dwelling units for sale has generally been higher over calendar year 2025 compared to the prior year although homes have remained on the market for a relatively short average of 22 days. On average, there were 647 active listings each month compared to an average of 477 active

¹ In interpreting the unemployment rate, it is important to note that the unemployment rate includes only people who have remained in the job market and are seeking employment; the figure does not include people who have dropped out of the labor market.
² Final data are typically a little lower, reflecting permit cancellations occurring early the following year.

listings each month in 2024. The FY 2027 Adopted Budget reflects appreciation of existing residential homes (Classes 100 and 200) of 1.36 percent as of January 1, 2026, as estimated by the Commissioner of the Revenue¹ and forecasts 3 percent appreciation for January 1, 2027. The assessed value of taxable commercial and industrial property that existed on January 1, 2025 jumped dramatically by 26.36 percent during 2025. Revaluation across the commercial portfolio varied by property type with data centers seeing the largest increases year-over-year. The County continues to attract data centers with several site acquisitions and development plans announced in the past year. In 2025, the County issued building permits for 9.8 million square feet of data center space. Existing multi-family properties experienced revaluation of 4.38 percent.

General Property Taxes - Methodology

Forecasts for both real and personal property tax revenues are developed in consultation with the Commissioner of the Revenue, the Clerk of the Circuit Court, and the County Treasurer among others. Forecasts are based on current estimates of respective tax bases, coupled with forecasts of growth or decline. Forecasts incorporate historical analysis, expected growth and business activity, forecasted new construction, information regarding broader trends in market values, and economic forecasts. In developing forecasts, staff considers also considers trends for deferrals, tax relief, collections, and adjustments to assessments. Each fiscal year encompasses two different tax years. The FY 2027 (July 1, 2026 to June 30, 2027) forecast combines the forecasts for Tax (Calendar) Year 2026 and Tax (Calendar) Year 2027.

Real Property Taxes - Assessed Value, Equalization, and Rates

Real property taxes are levied on the value of land and structures. All real property is classified according to its mode of use as residential, commercial/industrial, or agricultural. The following table shows the assessed valuations of taxable real property within the County (excluding applicable public service corporation properties). Valuations reflecting the condition of the property and market valuations are shown as of January 1 for each calendar year or TY as required by the Code of Virginia. The table also shows the estimated contributions of property equalization (or revaluation) and new development to the change in assessed value. During TY 2025, the taxable value of real property is estimated to have increased by \$19.91 billion or 12.01 percent, with 9.89 percentage points coming from revaluation and 2.12 percentage points coming from new development or improvements. The value of residential property increased by 2.46 percent of which 1.10 percentage points were due to new development while existing properties appreciated in value by 1.36 percent. In TY 2025, commercial/industrial property (including multi-family apartments) gained 30.50 percent; 26.36 percentage points of their 2025 values resulted from revaluation, reflecting the ongoing growth in demand for properties, especially data centers; new development accounted for 4.14 percentage points of overall growth, due mostly to data center construction.

¹ Source: February 24, 2026, Assessment Summary.

FY 2027 Adopted Budget

Real Property Class	Taxable Assessed Value (billions)		Overall \$	Overall %	Equalized %	Develop . %
	Jan 1, 2025	Jan 1, 2026 ¹	Change	Change	Change	Change
Residential	\$107.62	\$110.26	\$2.64	2.46%	1.36%	1.10%
Comm. & Industrial ¹	56.18	73.32	17.14	30.50%	26.36%	4.14%
Agricultural ²	1.96	2.09	0.13	6.61%	6.54%	0.08%
Total Taxable	\$165.75	\$185.66	\$19.91	12.01%	9.89%	2.12%

The “Equalized % Change” in the value of real property results from market forces as properties are transferred from sellers to buyers at sale prices negotiated in arms-length transactions. A positive (negative) equalized change indicates that recent buyers of properties have generally paid more (less) for the property than was true a year ago, even in the absence of significant property improvements. The remainder of the increase in property value is labeled “Development % Change” which reflects the building of new structures, the sub-division of large parcels of land, and improvements such as grading and landscaping. The percentage change in taxable value due to development during TY 2025 was 2.12 percent overall and 1.10 percent for the residential class only. The equalized percentage increase for all property classes combined was an estimated 9.89 percent during TY 2025³ with weaker revaluation in residential properties offset by strong revaluation in commercial properties. The FY 2027 Adopted Budget is predicated on a real property tax rate of \$0.805 effective January 1, 2026. The estimated *overall* equalized tax rate – the rate that would yield approximately the same tax revenue in Tax Year 2026 from completed properties in existence in Tax Year 2025 as that yielded by the actual 2025 tax rate – is \$0.735⁴. The graph below shows the history of Loudoun’s real property tax rate (purple line) along with the associated average assessed value for all residential homes (new and existing) as of the relevant tax year.

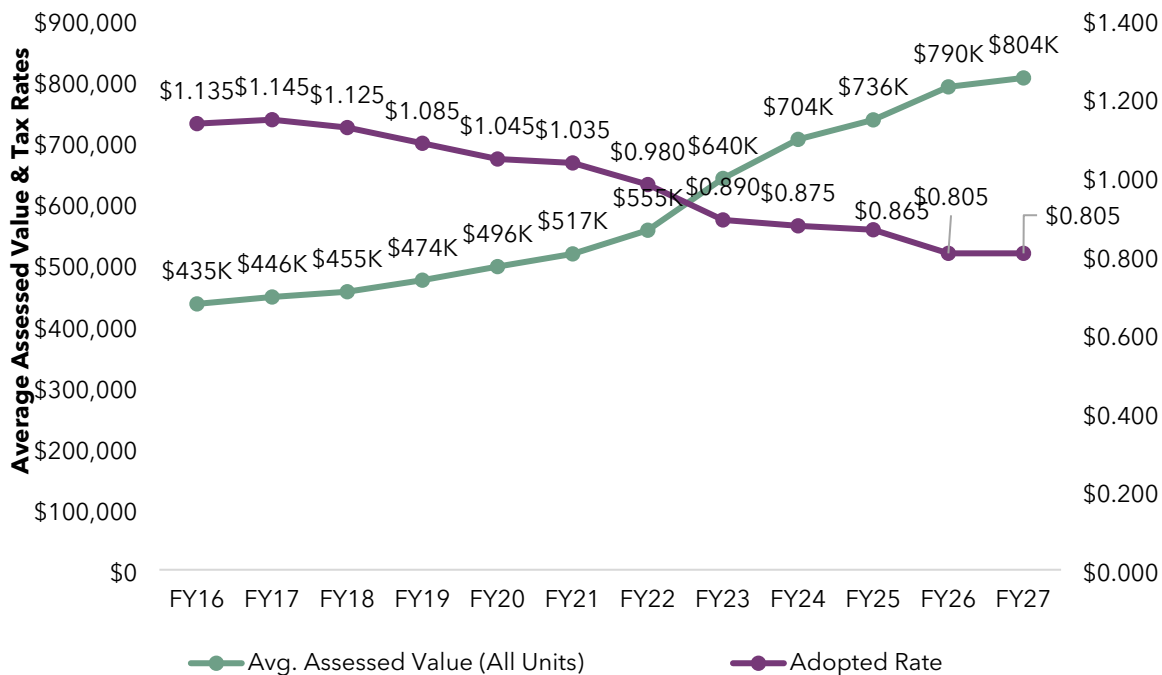
Given the large rates of appreciation, the homeowner’s equalized rate is \$0.795 and \$0.640 for commercial and industrial (including multi-family). Based on the average assessed value for applicable properties and the adopted tax rate of \$0.805, the annual tax bill for the average home in existence as of January 1, 2025, increases \$147, from \$6,280 in 2025 to \$6,427 in 2026.

¹ Includes commercial apartment buildings (Class 300 properties).

² Taxable value is land use value, not fair market value for properties in the land use program.

³ The equalized percentage change is an *average* value for the set of properties being assessed. The equalized change in value of individual properties will generally differ from the average depending upon the specific characteristics of the property (e.g., location, age, size, condition).

⁴ The County’s practice is to round the tax rate up to an even half-cent (\$0.005) value which can cause the percentage difference between the existing and equalized tax rate to differ slightly from the reported equalized percentage for taxable real property.



Personal Property Taxes

The table of General Property Taxes featured earlier in the Revenue chapter contains nine different categories of personal property tax revenues, each corresponding to a specific category of personal property specified in State law. The two largest categories are "Computer Equipment" and "Vehicles". State law specifies at least 20 categories of tangible personal property for the purpose of assessing market value. For example, automobiles and light trucks are distinct categories for valuation purposes. State law also allows local authorities to set the tax rate on general personal property and permits them to set tax rates below the general rate for specific categories of personal property and/or for taxpayers meeting designated criteria (e.g., elderly and disabled, charitable, volunteer).

Business Tangible Personal Property Taxes

Business tangible personal property is assessed at 60 percent of original cost in the first year, decreasing each year to 5 percent for property at least five years old. The largest component of business tangible personal property is computer equipment taxes which are primarily attributable to data centers. This revenue has been a significant source of tax revenue in the past decade, experiencing annual increases of between 17 and 37 percent at points in the County's history relative to the historic growth seen in the data center industry.

OMB continues to partner with departments across the County including the Office of the Commissioner of the Revenue, the Department of Economic Development, the Department of Planning and Zoning, and the Department of Information Technology as well as representatives of the data center industry to refine the revenue model used to forecast this highly complex revenue. These partners assist OMB in understanding the changes in zoning, planned development, status of new development, changes in taxation, and how potential future changes in technology could impact the data center industry in Loudoun. The revenue

model focuses deliberately on a phased-in approach to outfitting new facilities based on the evolution of the industry in Loudoun and a deliberate approach to accounting for refreshment rates. More recently, the model has also been adapted to reflect potentially changing market conditions and issues such as the availability of electricity.

Vehicle Taxes

Vehicle personal property tax revenue depends upon the number and characteristics (e.g., age, make, and model) of the vehicles registered with the County, since these factors determine their assessed value. The number of vehicles in the County tends to increase over time along with the growth in population. The purchase of newer and/or more expensive vehicles tends to increase the assessed value, while retention of existing vehicles tends to reduce it due to depreciation (as determined by the used car market). Typically, forecasts for vehicle personal property tax revenues are undertaken econometrically and are based on factors such as the size of Loudoun's Gross Domestic Product, the level of consumer borrowing costs, and the value of the previous year's levy. Although recessions are often followed by declines in vehicle values (as consumers tend to purchase fewer new vehicles during times of difficult economic conditions and keep their aging old vehicles) the supply chain constraints that the world experienced during the COVID-19 pandemic and its aftermath put upward pressure on both new and used automobile values. In response to the unusual increase in values seen for TY 2022, with the concurrence of the Board of Supervisors, the Commissioner of the Revenue applied an 80 percent assessment ratio to personal use, non-commercial vehicles for TY 2022. Staff believe that annual changes in vehicle values have broadly returned to historical norms and were not recommending the use of an assessment ratio for TY 2026. If the General Assembly were to grant enabling legislation, however, the Board would have the flexibility to establish local personal property tax relief. For TY 2026, vehicle personal property tax rates are substantially reduced from the previous rate of \$4.15 per \$100 of value to \$3.09 per \$100 with an additional reduction planned in TY 2027 to \$2.94 per \$100.

Personal Property Tax Relief

In FY 1999, the State began a phased reduction of personal property taxes on the first \$20,000 in value of private vehicles. During the 2004 General Assembly session, the reduction was held to 70 percent, with the foregone revenue reimbursed to localities. In 2006, the State's reimbursement to localities was capped, with Loudoun's set at \$48,071,701. Consequently, the percentage reduction on each citizen's tax bill will decline over time as the value of the vehicle stock continues to increase. For TY 2025, the percentage in Loudoun was 28 percent. It is 41 percent for TY 2026, likely as a product of the sizeable reduction in the vehicle personal property tax in effect for TY 2026. This percentage is recalculated each spring once vehicle assessments for the previous January 1 are available.

Other Local Taxes

Other local tax revenues, including sales and use tax; consumer taxes; business, professional, and occupational license taxes, and recordation tax, are forecasted based on historical trends and future economic forecasts. These tax revenues tend to be driven by prices, income, employment, and consumer sentiment. In the case of recordation tax, home prices and

interest rates are also significant contributors to revenue changes. The FY 2027 Adopted Budget includes a zero rate on the Vehicle License Tax. Staff relies on regression analysis and past historical relationships to forecast future revenues. Revenue forecasts are reviewed by the Revenue Committee.

Permits, Fees, and Licenses

Permit, fee, and license revenue forecasts are generally the result of forecasted development in Loudoun County, forecasted residential and non-residential construction, employment, and home prices. Staff relies on regression analysis and past historical relationships to forecast future revenues. These most significant of these revenue forecasts are prepared in coordination with the Departments of Building & Development and Planning & Zoning and reviewed by the Revenue Committee

Fines & Forfeitures

Fines & forfeiture revenue comprise a small share of General Fund revenues and are generally consistent from one year to the next.

Use of Money and Property

Use of money and property revenue consists of interest revenue from investments and property rental revenues. Interest forecasts are prepared in consultation with the Office of the Treasurer and consider average portfolio balances and interest rates. Property rental revenues are not a significant source of General Fund revenue and are generally forecasted based on historical information, including leases.

Charges for Services

Charges for services revenue is typically generated by department programs and is reviewed annually in consultation with the respective departments. While long-term forecasts have been considered for this revenue, economic forecasts traditionally do not tend to provide accurate forecasts for these types of behavior-driven revenues. Population can be a helpful indicator, but revenue levels are often more dependent on the level of programming offered – i.e., expansion of after-school programs, opening of new community facilities, increased ridership on transit services, etc.

Recovered Costs and Miscellaneous Revenues

Recovered costs and miscellaneous revenues are typically generated by department programs and are reviewed annually in consultation with the respective departments. Long-term forecasts for these revenues are generally flat with some consideration given to population growth. As is the case with Charges for Services, however, these revenues are more often connected to service delivery. The largest single source of revenue in this category is Medicaid reimbursements, which is largely dependent on the number of Medicaid waiver slots allocated by the State to the Department of Mental Health, Substance Abuse, and Developmental Services.

Commonwealth Aid

Commonwealth aid is primarily comprised of the State's annual reimbursement of \$48,071,700.25 from the PPTR Act, reimbursements for constitutionally mandated offices, daily vehicle rental taxes, grantors' tax, and grants for mandated programs such as social service activities and transit activities. Daily vehicle rental tax revenue is typically forecasted based on anticipated passenger activity at Washington Dulles International Airport while the grant revenues for mandated programs can be loosely tied to population growth or expanded services.

Federal Aid

Federal aid is primarily comprised of grants for mandated programs. Revenues vary from one year to the next based on the funding available in the federal budget. These funds are most often reimbursement based.