

Issue Analysis Form



Date: November 24, 2020
Item: Personal Property Relief for Volunteer Fire & EMS
Lead Department(s): Fire & EMS
Contact Person(s): Paul W. Mauger

Description and Current Status

There was a request presented to the Director and Chief's Advisory Board to review the existing ordinance addressing personal property relief for volunteers. It was believed the concern was a need to review the criteria for qualification and a tightening of accountability within the process.

After several discussions between the Director and volunteer leadership, a list of issues/concerns was developed. The Director volunteered to take that feedback and draft several options for consideration. The Chiefs met, reviewed the options, eliminated some, and consolidated two. The two that were consolidated formed the draft ordinance as presented.

The hours of participation as outlined in the draft, currently varies among the volunteer organizations. In some cases, it is more stringent, and in others, it is less stringent. The percentages outlined in the draft primarily address the support/administrative personnel. This was very likely the area of least accountability for relief qualification as it is not defined in the current ordinance. This percentage was felt to be reasonable in defining how an 'active' support/administrative member would be addressed.

The Commissioner of Revenue and the County Attorney participated in this initiative and concur that the draft as presented is a reasonable alternative.

Government Path

- | | | |
|---|---|--|
| Does this require IDA action? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Does this require BZA action? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Does This require Planning Commission Action? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Does this require Board of Supervisors action? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| Does this require a public hearing? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| If so, before what date? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

Fiscal Impact Statement

The financial impact is estimated to be approximately \$35-40K annually of personal property tax revenue.

County Impact

Notes

Board of Supervisors
County of Prince George, Virginia

Resolution

At a regular meeting of the Board of Supervisors of the County of Prince George held in the Boardroom, Third Floor, County Administration Building, 6602 Courts Drive, Prince George, Virginia, this 24th day of November, 2020:

Present:

Donald Hunter, Chairman
Alan R. Carmichael, Vice-Chair
Floyd M. Brown, Jr.
Marlene J. Waymack
T. J. Webb

Vote:

On motion of _____, seconded by _____, which carried unanimously, the following Resolution was adopted:

RESOLUTION: AUTHORITY TO ADVERTISE A PUBLIC HEARING FOR AN ORDINANCE TO AMEND 'THE CODE OF THE COUNTY OF PRINCE GEORGE, VIRGINIA', 2005, AS AMENDED, BY AMENDING SECTION 74-432 TO CLARIFY THE CERTIFICATION PROCESS FOR TAX RELIEF FOR A VEHICLE OWNED OR LEASED BY A VOLUNTEER RESCUE SQUAD MEMBER OR VOLUNTEER FIRE DEPARTMENT MEMBER

NOW, THEREFORE, the Prince George County Board of Supervisors this 24th day of November, 2020 does hereby authorize the advertisement of a public hearing for an Ordinance to Amend 'The Code Of The County Of Prince George, Virginia', 2005, as amended, by amending Section 74-432 to clarify the certification process for tax relief for a vehicle owned or leased by a volunteer rescue squad member or volunteer fire department member.

A Copy Teste:

Percy C. Ashcraft
County Administrator

ORDINANCE TO AMEND 'THE CODE OF THE COUNTY OF PRINCE GEORGE, VIRGINIA', 2005, AS AMENDED, BY AMENDING SECTION 74-432 TO CLARIFY THE CERTIFICATION PROCESS FOR TAX RELIEF FOR A VEHICLE OWNED OR LEASED BY A VOLUNTEER RESCUE SQUAD MEMBER OR VOLUNTEER FIRE DEPARTMENT MEMBER

BE IT ORDAINED by the Board of Supervisors of Prince George County:

(1) That the Code of the County of Prince George, Virginia, 2005, as amended, is amended by amending Section 74-432 as follows:

CHAPTER 74 TAXATION

ARTICLE XI. TANGIBLE PERSONAL PROPERTY

Sec. 74-432. – Qualification of motor vehicle owned or leased by volunteer fire department or rescue squad member and regularly used to respond to calls for emergency services.

- (a) One motor vehicle either owned or leased (if obligated by the terms of the lease to pay for the personal property tax on said vehicle) by a member who volunteers with a fire company or the emergency crew, is defined as a separate item for purposes of personal property taxation.
- (b) By January 31 of each year, each volunteer fire company or emergency crew member shall provide the Commissioner of Revenue with a signed and certified form from the Chief or Head of the volunteer organization, that the volunteer is an ACTIVE member of a volunteer fire department or the emergency crew, who used the vehicle to meet the criteria as set forth in the County's LOSAP (Length of Service -Award Program).
- (c) In order to qualify for this benefit, Associate/Support members will be required to participate in 25% of company sponsored events of which they would be expected to support, and such support, will be accounted for and verified by the Chief or Head of the volunteer organization.
- (d) Such members will serve a minimum of twelve months and meet the criteria before being eligible for the benefit. If a member reaches the twelve month requirement after the January 31st deadline, the member shall submit the signed and certified form to the Commissioner of Revenue and shall be entitled to a prorated benefit for the year.
- (e) The Commissioner of Revenue shall be authorized, in his/her discretion, for good cause shown, and without fault on the part of the member, to accept a certification after the January 31 deadline. The certification must include the vehicle identification number of the motor vehicle for which the separate tangible personal property classification is sought.

(2) That the Ordinance shall be effective on January 1, 2021

The following assumptions/considerations were made in the development of the following options:

1. Junior members do not receive the relief as they are not obligated to pay personal property taxes for a vehicle they do not own which this benefit solely addresses.
2. If LOSAP criteria is utilized, the % concern of calls/participation variance by company is nullified.
3. Life members do not qualify for THIS benefit as they (or should be) receiving the LOSAP benefit. If there are exceptions, they could serve and qualify as Associate/Support members.
4. No capped amount. It is the volunteer's personal vehicle (whatever that primary vehicle is) that is being used for County business, they are paying for it, and it should not be the County's responsibility to tell them what they can drive. The relief is for THE vehicle they primarily use, NOT the most expensive one in their personal fleet. Should be declared in advance and verified by the Chief/Head.
5. All qualifications remain the responsibility of the Chief/Head to be managed.
6. Active, Associate, and Support members are recognized to some degree based on contribution.
7. Members entering into the system do not have to wait a full calendar year to qualify. As in the example of selling a car, once the member achieves twelve months of service, they then qualify for the relief on a prorated scale.
8. System volunteers do not qualify for the benefit. Too difficult to administratively manage, criteria would have to be developed, would encourage more to become members of the Company's.

Option #1: leave criteria as is and closely monitor who receives it, confirm it is on THE primary vehicle used for department business (declared in advance), and forwarded to the County Commissioner of Revenue.

Option #2: (a) One motor vehicle either owned or leased (if obligated by the terms of the lease to pay for the personal property tax on said vehicle) by a member who volunteers with a fire company or emergency crew, is defined as a separate item for purposes of personal property taxation. (b) By January 31 of each year, each volunteer fire company or emergency crew member shall provide the Commissioner of Revenue with a signed and certified form from the Chief or Head of the volunteer organization that the volunteer is an ACTIVE member of, who used the vehicle to meet the criteria as set forth in the County's LOSAP (Length of Service Award Program). (c) such member will serve a minimum of (12) months and meet this criteria before being eligible for the benefit.

Option #3: (a) & (b) is the same as Option #2, (c) Associate/Support members will be required to participate in 25% of company-sponsored events of which they would be expected to

support. Such participation will be accounted for and verified by the Chief or Head. (d) *same as 'c' in Option #2 above.*

Option #4: (a) & (b) *the same as Option #2*, (c) Associate/Support members participating in 25% of company sponsored events of which they would be expected to support will be eligible for a 50% reduction in the current tax rate (2020-21; \$2.13). (d) *same as in Option #2c.*