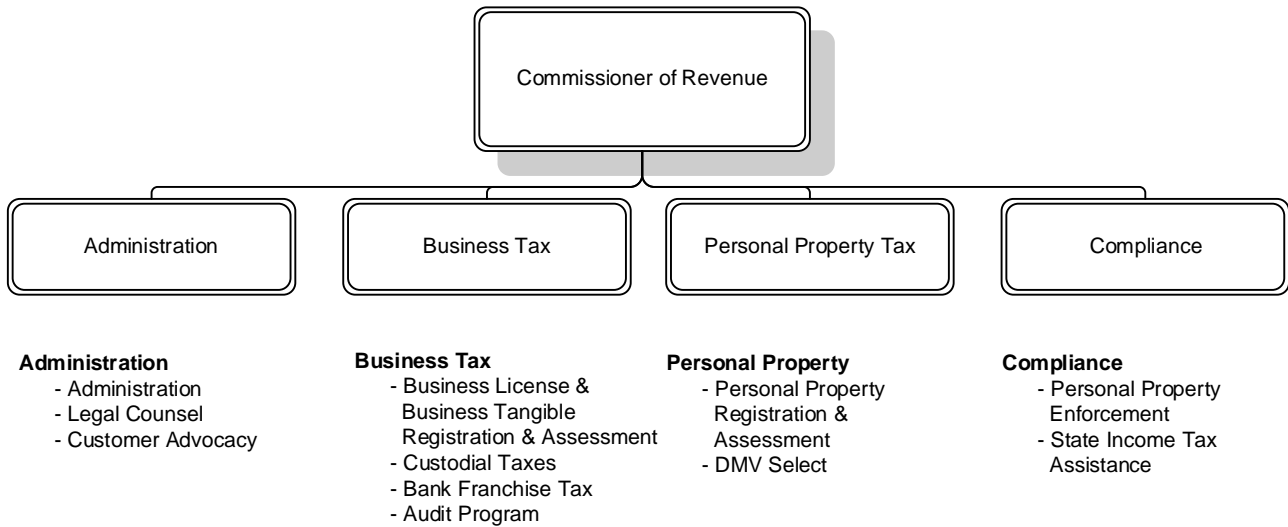


Our Mission: To provide Arlington County residents and businesses with high quality service in meeting their tax obligations.

The Office of the Commissioner of Revenue provides Arlington County residents and businesses with high-quality service in meeting their tax obligations by applying Virginia State and Arlington County tax laws with uniformity, fairness, and integrity. The Office is committed to providing customer advocacy to protect the rights of individual and business taxpayers and resolving those issues not satisfactorily addressed through normal channels.

LINES OF BUSINESS



SIGNIFICANT BUDGET CHANGES

The FY 2025 adopted expenditure budget for the Commissioner of Revenue is \$6,614,865, a two percent increase compared to the FY 2024 adopted budget. The FY 2025 adopted budget reflects:

- ↑ Personnel increases due to employee salary increases, an increase in the County’s cost for employee health insurance, slightly higher retirement contributions based on actuarial projections, and adjustments to salaries resulting from the Accounting, Fiscal, Revenue Services, and Financial job family study (\$64,546).
- ↑ Grant revenue increases due to an increase in State Compensation Board reimbursements due to the State’s salary increase for State employees (\$6,800).

DEPARTMENT FINANCIAL SUMMARY

	FY 2023 Actuals	FY 2024 Adopted	FY 2025 Adopted	% Change '24 to '25
Personnel	\$5,827,813	\$6,293,928	\$6,434,768	2%
Non-Personnel	227,314	180,516	180,097	-
Total Expenditures	6,055,127	6,474,444	6,614,865	2%
Fees	169,588	225,000	225,000	-
Grants	525,265	565,500	572,300	1%
Total Revenues	694,853	790,500	797,300	1%
Net Tax Support	\$5,360,274	\$5,683,944	\$5,817,565	2%
Permanent FTEs (Funded)	52.00	52.00	52.00	
Permanent FTEs (Frozen, Unfunded)	1.00	1.00	1.00	
Temporary FTEs	-	-	-	
Total Authorized FTEs	53.00	53.00	53.00	

Expenses & Revenues by Line of Business

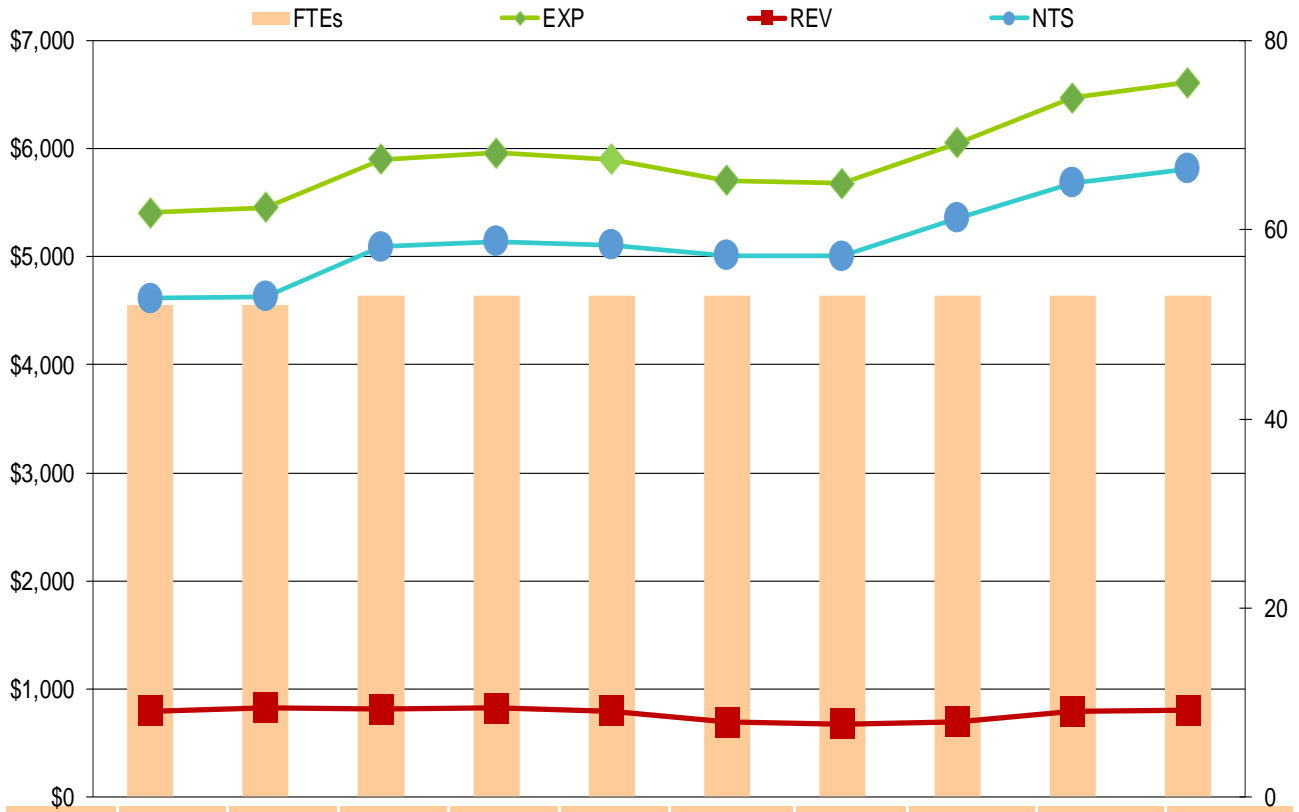
	FY 2023 Actual Expense	FY 2024 Adopted Expense	FY 2025 Adopted Expense	% Change '24 to '25	FY 2025 Adopted Revenue	FY 2025 Net Tax Support
Administration	\$1,564,260	\$1,529,272	\$1,573,532	3%	\$797,300	\$776,232
Business Tax	2,011,254	2,594,451	2,694,161	4%	-	2,694,161
Personal Property Tax	2,012,749	1,743,315	1,764,270	1%	-	1,764,270
Compliance	466,864	607,406	582,902	-4%	-	582,902
Total	\$6,055,127	\$6,474,444	\$6,614,865	2%	\$797,300	\$5,817,565

Authorized FTEs by Line of Business

	FY 2024 FTEs Adopted	FY 2025 Permanent FTEs Adopted	FY 2025 Temporary FTEs Adopted	FY 2025 Total FTEs Adopted
Administration*	10.00	10.00	-	10.00
Business Tax	21.00	21.00	-	21.00
Personal Property Tax	16.00	16.00	-	16.00
Compliance	6.00	6.00	-	6.00
Total FTEs	53.00	53.00	-	53.00

*The Administration Line of Business FTE count includes a frozen Customer Advocate Management Specialist position (1.0 FTE).

EXPENDITURE, REVENUE, NET TAX SUPPORT, AND FULL-TIME EQUIVALENT TRENDS



	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
\$ in 000s	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Adopted Budget	Adopted Budget
EXP	\$5,410	\$5,458	\$5,902	\$5,964	\$5,903	\$5,706	\$5,680	\$6,055	\$6,474	\$6,615
REV	\$794	\$826	\$808	\$819	\$794	\$692	\$672	\$695	\$790	\$797
NTS	\$4,616	\$4,632	\$5,094	\$5,145	\$5,109	\$5,014	\$5,008	\$5,360	\$5,684	\$5,818
FTEs	52.00	52.00	53.00	53.00	53.00	53.00	53.00	53.00	53.00	53.00

Fiscal Year	Description	FTEs
FY 2016	<ul style="list-style-type: none"> ▪ Fee revenue increased due to an increase in the license plate penalty fee revenue based on recent actual receipts (\$50,000) and the transfer of and an increase in DMV select revenue from the Treasurer’s Office (\$25,000). The DMV Select is now solely operated by the Commissioner’s Office. ▪ Grant revenue increased due to an increase in State Compensation Board reimbursements (\$22,350). 	
FY 2017	<ul style="list-style-type: none"> ▪ Fee revenue increased due to increased revenue from the Department of Motor Vehicles for satellite office services provided by the Commissioner of Revenue (\$15,000). ▪ Grant revenue increased due to an increase in State Compensation Board reimbursements (\$3,423). 	
FY 2018	<ul style="list-style-type: none"> ▪ Added a limited term Business Tax auditor position that is offset by an increase in tax audit revenue (\$95,091). ▪ Increased fee revenue from the Department of Motor Vehicles for satellite office services provided by the Commissioner of Revenue (\$10,000). ▪ Increased grant revenue due to an adjustment to the State Compensation Board reimbursements (\$2,677). 	1.00
FY 2019	<ul style="list-style-type: none"> ▪ Increased fee revenue due to an increase in license plate penalty fee revenue (\$20,000). 	
FY 2020	<ul style="list-style-type: none"> ▪ Reduced wireless service charges as part of a County-wide review of wireless service providers (\$1,729). ▪ Reduced postage and print-shop charges by using electronic mail for vehicle assessment letters, meals tax and transient occupancy tax filings, and business license and business tangible communication and tax filing as well issuance of business tax license certificates (\$125,000). ▪ Reduced annual expense for maintenance and replacement of County vehicles (\$82). ▪ Increased grant revenue for State Compensation Board reimbursements as a result of the State’s two percent increase for state employees (\$10,618). ▪ <i>In FY 2019 Closeout, the County Board converted a limited term FTE to permanent full-time to support meals tax audits in the Business Tax Division.</i> 	
FY 2021	<ul style="list-style-type: none"> ▪ Grant revenue increased due to an increase in State Compensation Board reimbursements (\$14,575). 	
FY 2022	<ul style="list-style-type: none"> ▪ The County Board added funding for a one percent merit pay adjustment, a five percent increase in the range, and an increase to the one-time bonus for staff from \$500 to approximately \$900. ▪ Held the Customer Advocate Management Specialist position vacant for the year (\$125,022, 1.0 FTE). 	

Fiscal Year	Description	FTEs
	<ul style="list-style-type: none"> ▪ Fee revenue decreased based on prior year actuals (\$20,000) and grant revenue decreased due to a decrease in State Compensation Board reimbursements (\$10,527). ▪ <i>In FY 2021 closeout, funding was added for a one percent merit pay adjustment (\$22,424) and a one-time bonus for staff of \$450 (\$26,201).</i> 	
FY 2023	<ul style="list-style-type: none"> ▪ The County Board added funding for an additional one percent merit pay adjustment for a total increase of 5.25 percent, increased the pay-for-performance budget by an additional 0.5 percent, increased the pay range movement to five percent, and approved a one-time increase in language premium from \$0.69 to \$0.92 per hour (\$3,737). ▪ Grant revenue increased due to an increase in State Compensation Board reimbursements primarily due to the State’s five percent increase for state employees (\$49,632). ▪ The County Board approved the use of an 88 percent vehicle assessment ratio due to address rising assessments and help fund the repeal of the \$33 motor vehicle license (formerly “decal”) fee. ▪ <i>A technical adjustment was approved by the County Board in April 2023 to appropriate funding from Non-Departmental to Departments to allocate the budget for bonuses funded in the adopted budget. The funding added to the Commissioner of Revenue’s Office was \$102,271.</i> 	
FY 2024	<ul style="list-style-type: none"> ▪ Added funding for job family studies in Administrative and Accounting/Financial Services (\$69,854). ▪ Added one-time funding for \$2,000 (gross) employee bonuses (\$129,367). ▪ Grant revenue increased due to an increase in State Compensation Board reimbursements primarily due to the State’s salary increase for state employees (\$38,400). ▪ Reduced non-personnel budget for anticipated savings for various suppliers’ services (\$14,300) and from eliminating mailings to existing CAPP customers (\$41,784). 	
FY 2025	<ul style="list-style-type: none"> ▪ Higher projections in State Compensation Board reimbursements grant revenue due to the State’s salary increase for State employees (\$6,800). 	