

# Virginia Commissioners of the Revenue Association



## 2026 Legislative Agenda

Virginia's elected Commissioners of the Revenue are making every effort to better serve the Commonwealth and its citizens by providing efficient and innovative revenue administration at both the state and local levels.

In brief, we are committed to providing services to the citizens in each of our localities while simultaneously enhancing state and local revenues.

Proposed legislative priorities for 2026:

1. Seek to consolidate the population-based salary levels of all Commissioners in localities with populations less than 70,000 into one grouping at the higher bracket currently assigned to localities with populations of 40,000 to 69,999 effective July 1, 2026.

[Item 63 #1h](#) (Reid)

[Item 63 #1s](#) (Locke)

FY2027

**\$2,493,379**

FY2028

**\$2,720,050**

The variance in the size of the three smallest population groups is negligible. In addition, the variance in duties between the offices is negligible.

2. Seek targeted salary increases for State Compensation Board-funded Commissioner of the Revenue, Treasurer, and Finance Director staff to establish parity with classification and pay plan of Circuit Court Clerks, increasing salaries of positions in Pay Band 1 by 46.76%, positions in Pay Band 2 by 26.89%, positions in Pay Band 4 by 6.14%, positions in Pay Band 7 by 3.03%, and positions in Pay Band 8 by 2.33%, effective July 1, 2026.

[Item 63 #3h](#) (Willett)

[Item 63 #2s](#) (Marsden)

FY2027

**\$1,709,883**

FY2028

**\$1,865,327**

The salaries for the lower-tier positions are inadequate, as low as **\$26,732**, to attract and maintain staffing levels. By comparison, the entry level salary for Circuit Court Clerks staff is **\$41,622**. As a result, Commissioners, Treasurers, and Finance Directors are having difficulty in filling and maintaining these positions.

3. Parity w/state employees on compensation and retiree health care credit.

(continued)

## 2026 Legislation

### OPPOSE

#### [HB566](#) – (McNamara) **Tangible personal property tax relief; rate of taxation.**

Requires, for tax year 2027 and all tax years thereafter, each county, city, or town to reduce its local tax rate on qualifying vehicles to no greater than \$0.000001 per \$100 of the eligible assessed value of the qualifying vehicle. The bill defines "eligible assessed value" as \$5,000 of the assessed value of a qualifying vehicle. For tax year 2028 and all tax years thereafter, for any year in which the revenues of a county, city, or town grow by five percent or more, the bill provides that the eligible assessed value applied in such county, city, or town shall increase by an additional \$5,000 until such time that the eligible assessed value equals \$20,000.

*This bill adds a layer of complexity to the assessment process (i.e. verifying 5% growth in local revenues) requiring additional staff resources and electronic enhancements to implement and administer. Additionally, several localities have already voluntarily adjusted their thresholds, the bill may result in a further lack of uniformity.*

#### [HB 960](#) – (Watts) **Personal property taxes; valuation, effective clause.**

Requires that tangible personal property employed in a trade or business, other than such property set out for different valuation in current law, shall be valued by means of a percentage or percentages of original cost to the taxpayer. Current law requires such property to be valued only by means of a percentage or percentages of original cost. The bill has a delayed effective date of July 1, 2027.

The Code of Virginia (58.1-3507) currently requires that machinery and tools (i.e. tangible personal property) "...shall be valued by means of depreciated cost or a percentage or percentages of original total capitalized cost excluding capitalized interest. In valuing machinery and tools, the commissioner of the revenue shall, upon the written request of the taxpayer, consider any bona fide, independent appraisal presented by the taxpayer."

*This bill creates a significant lack of uniformity in assessment methodology, whereby businesses that have been assessed, sometimes for years, based on the original cost (i.e. market value) of tangible property, are treated differently than entities that acquire (i.e. acquisition cost) the tangible property of businesses at less than market value.*

Current Virginia Code and assessment methodology is supported by opinions of the [Virginia Attorney General](#) (July 2014) and the [Virginia Supreme Court](#) in *Hanover County vs. Bear Island* (November 2017).

(February 6, 2026)