



DEPARTMENT OF FINANCE
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Automatic License Plate Reader Policy

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The City of Alexandria Department of Finance is implementing a new automatic license plate reader (“LPR”) system to assist in our statutory requirement to ensure all vehicles normally garaged in the city are properly registered for personal property taxation, unless otherwise exempt, in accordance with state and city codes; and, to assist in the collection of delinquent Personal Property taxes and outstanding parking tickets. The LPR is simply a more efficient tool that replaces the previous manual process of collecting and researching vehicle data to ensure compliance with the law.

Purpose of the Collection of Data

Pursuant to Va. Code § 58.1-3519, “If any taxpayer, liable to file a return of any of the subjects of taxation... neglects or refuses to file such return for any year within the time prescribed, the [Director of Finance] shall, from the best information [s]he can obtain, enter the fair market value of such property and assess the same as if it had been reported to [her].”

The LPR system is a vehicle-mounted camera operated by Department of Finance staff that will only capture vehicle license plate information of vehicles that are located in the city to be researched by Finance staff against the department’s tax roll and other tax records to ensure compliance with the law and prevent possible tax evasion.

The LPR will also assist staff in locating vehicles in the city with significant delinquent Personal Property taxes and/or unpaid parking tickets. Once identified, and subject to due notice, such vehicles will be subject to distraint pursuant to Sections 3-2-230.1 and 3-2-355 of the Code of the City of Alexandria. Per City ordinance, such activity will not take place on private property absent appropriate authorization. This process replaces mechanical boots previously placed by the City’s Parking Enforcement Officers at the direction of the Department of Finance. Finance staff will employ orange windshield levy stickers to prevent the operation of such vehicles until payment has been resolved. In some cases, staff may also use a combination of mechanical boots, the removal of vehicle license plates, and/or towing the vehicle as may be necessary to ensure compliance with the law and that all vehicle owners pay their legal obligations. Use of these distraint measures are pursuant to our state and city mandates under the law. The Department of Finance routinely offers payment plans as may be necessary based on the financial circumstances of the owner, and also takes under consideration any other mitigating factors in its determination of the proper means of collection.

The Department of Finance is the sole tax enforcement agency of the City of Alexandria. It is separate from any law enforcement agency, and Finance staff will not operate the LPR system for any purpose other than tax compliance as described above.

The Department of Finance operates under the strict confidentiality requirements of Va. Code § 58.1-3. The LPR manufacturer hired to help maintain the camera will act contractually on behalf of the Department of Finance and, subject to criminal penalties, will likewise be bound by the confidentiality requirement to prevent the disclosure of any LPR data. The Department of Finance will maintain audit capacity to ensure compliance.

Except as may be permitted by law, any data collected under the LPR program will not be shared with any department or person outside of the Department of Finance absent a binding order from the City of Alexandria Circuit Court.

Commitment to Taxpayer Privacy

It is the policy of the Department of Finance to operate the LPR system in compliance with Virginia law and the restrictions described herein. The LPR will be used in a manner dedicated to the protection of personal privacy and the confidentiality of taxpayer information. The Department of Finance will collect only that information authorized by law and necessary to carry out its duty under City ordinances and the Code of Virginia to identify and assess all vehicles subject to taxation, and to collect all delinquent Personal Property taxes and outstanding parking tickets. License plate information collected by the LPR will not remain on the LPR. It will be confidentially maintained in the City's tax data base in cases of assessment, and otherwise deleted if tax liability is not confirmed. Subject to Va. Code § 58.1-3, license plate information, like all confidential taxpayer information, is only accessible by Department of Finance staff and will only be used for tax compliance purposes.

Legal Constraints on the Use of the LPR System

The LPR system will be operated in compliance with the Government Data Collection and Dissemination Practices Act (the "Data Act"), Va. Code § 2.2-3800 et seq., and § 58.1-3 (the "Taxpayer Information Privacy Statute").

The Data Act permits the collection of "only that personal information permitted or required by law to be so collected... or necessary to accomplish a proper purpose of the agency." Because Virginia law clearly mandates the Department of Finance to find and assess all taxable property in the city, the use of the LPR to identify and assess potential tax evaders is permitted.

Other provisions of the Data Act require the Department of Finance to (1) maintain LPR data in its system "with accuracy, completeness, timeliness, and pertinence as necessary to ensure fairness in determinations relating to a data subject;" (2) maintain a list of every person who accesses the LPR data in the system; (3) "establish appropriate safeguards to secure the system from any reasonably foreseeable threat to its security;" and, (4) "collect no personal information concerning the political or religious beliefs, affiliations, and activities of data subjects."

As required by the Data Act, the Department of Finance will post on its website information for the public about their rights under the Data Act, including the right of an individual to request a copy of the data collected regarding his or her vehicle(s) and to request a correction thereof if inaccurate. Please note, the Department of Finance already confidentially maintains license plate information for vehicles properly registered with the city.

The Taxpayer Information Privacy Statute provides that the Department of Finance “...shall not divulge any information acquired [by the department] in the performance of [its] duties with respect to the... personal property... of any person.” This includes information about a vehicle acquired by the LPR system. Department of Finance staff will not provide LPR data that is linked to an individual taxpayer identity to any outside entity unless in compliance with the law or compelled to do so by court order.

Summary of the Contract with the LPR Service Provider

The agreement with the LPR contractor used by the Department of Finance provides that it will not disclose LPR data without the prior written consent of the Department of Finance. Department of Finance staff will not consent to any release of LPR data not permitted by Virginia law (i.e., “a proper judicial order” pursuant to the Taxpayer Information Privacy Statute). Only the information needed to identify the vehicle and ensure its compliance with pertinent tax law will be collected.

Once collected, LPR data will be stored and accessed securely as part of a system designed to prevent unauthorized access. LPR data, like all other confidential taxpayer information, is only accessible by the Department of Finance staff and will only be used for tax compliance purposes.