

**City of Alexandria, Virginia
 FY 2025 Proposed Operating Budget & CIP
 Budget Questions & Answers**

April 2, 2024

Question:

How many businesses are in that category and how does Alexandria's rate compare to other jurisdictions?

Response:

At \$0.35 per \$100 of gross receipts, the City has the second-highest BPOL rate for Financial Services among Northern Virginia localities. No localities are at the State maximum.

For Tax Year 2023, the City issued 216 business licenses under the Financial Services category. For FY 2025, this category is estimated to yield approximately \$3.56 million in BPOL tax revenue. While the average tax bill is approximately \$16,493, the range is significant. The top quartile pays an average of \$66,130.

The value of one penny on the tax rate for this category is approximately \$101,787. Taking this category up to the State maximum is estimated to generate an additional \$2.3 million in tax. This would increase the average tax to \$28,113. The average for the top quartile would increase to \$109,587.

Business, Professional & Occupational Licenses (BPOL)	Max Rate Per State Law	City of Alexandria	Arlington County	Fairfax City	Fairfax County	Falls Church City	Loudoun County	Prince William County
Tax Rates per \$100 of Gross Receipts								
Financial Services	\$0.58	\$0.35	\$0.04	\$0.40	\$0.19	\$0.36	\$0.16	\$0.33