

City of Alexandria, Virginia
FY 2027 Proposed Operating Budget & CIP
Budget Questions & Answers

April 6, 2026

Question:

What would be the amount of revenue if Alexandria had a similar separate commercial real estate tax like Arlington and Fairfax?

Response:

A 12.5 cent commercial and industrial real estate property add-on tax for transportation would generate \$10.3 million in revenue. As a real estate property tax, it requires the same legal noticing as the general rate, which would not align with the notice timing for the FY 2027 budget add/delete process. To implement this tax in the FY 2028 budget, City Council would likely need to include it as part of the maximum tax rate setting in CY 2027. Staff will confirm or correct this if City Council would like to pursue this option in the FY 2028 budget.