

Section 19

Legal Document Taxes, 2005

In fiscal year 2004, taxes on legal documents accounted for 0.4 percent of total tax revenue for cities and 1.2 percent for counties. These are averages; the relative importance of taxes in individual localities may vary significantly. For information on individual localities, see Appendix C.

Section 58.1-3800 of the *Code of Virginia* authorizes the governing body of any city or county to impose a recordation tax in an amount equal to one-third of the state recordation tax. However, local governments are not permitted to impose a levy when the state recordation tax imposed under the “Virginia Recordation Tax Act” is 50 cents or more. Effective September 1, 2004, the state recordation tax was increased from 15 cents per \$100 to 25 cents per \$100, so cities and counties can impose a maximum tax of 8.3 cents per \$100.

In addition, §§ 58.1-3805 and 58.1-1718 authorize cities and counties to impose a tax on the probate of every will or grant of administration equal to one-third of the state tax on such probate or grant of administration. Currently, the state tax on wills and administration is 10 cents per \$100 or a fraction of \$100 for estates valued at greater than \$5,000 (§ 58.1-1712). Therefore, the maximum city or county rate is 3.3 cents. However, if a locality cites tax rates that exceed the maximum, it may be presumed that the tax rates in such localities fall under a clause that has been grandfathered into the law based on §§ 58.1-3802 and 58.1-3808, which qualify the above restrictions concerning the recordation tax and the tax on wills, stating, “This article shall not be construed as affecting or repealing any city charter provision.”

Table 19.1 provides information on the recordation tax and the wills and administration tax for the 35 cities and 84 counties that reported imposing one or both of them. The following table shows range of recordation taxes imposed by localities:

Tax Per \$100	Cities	Counties	Total
Less than 5¢	2	3	5
5¢	22	56	78
7.5¢	1	0	1
8.3¢	10	24	34
Total	35	83	118

Currently 70 percent of the localities report they do not yet charge the maximum permitted by the state. Because the law is fairly new (September, 2004), some localities may still be investigating whether to increase the tax. However, the number of localities reporting the maximum tax increased from 9 in 2004 to 35 in 2005, so the odds are the number of localities charging the new maximum will continue to grow.

The following table shows the range of taxes imposed on wills and administration:

Tax Per \$100	Cities	Counties	Total
1.0¢	1	1	2
3.3¢	16	36	52
5.0¢	0	2	2
10.0¢	2	4	6
Total	19	43	62



Table 19.1
Legal Document Taxes, 2005

Locality	Recordation Tax Rate (Per \$100)	Tax on Wills and Administration (Per \$100)
Cities (Note: All cities responded to the survey. Those that answered "not applicable" for all items in this table are excluded.)		
Alexandria	8.3¢	N/A
Bedford	5.0¢	3.3¢
Bristol	7.5¢	N/A
	(Additional fee based on number of pages, \$12.00 min.)	
Buena Vista	8.3¢	3.3¢
Charlottesville	5.0¢	3.3¢
Chesapeake	5.0¢	N/A
Colonial Heights	5.0¢	3.3¢
Covington	8.3¢	3.3¢
Danville	5.0¢	N/A
Emporia	5.0¢	3.3¢
Fairfax	5.0¢	N/A
Falls Church	8.3¢	N/A
Franklin	5.0¢	10.0¢ ^a
Fredericksburg	5.0¢	N/A
Hampton	8.3¢	N/A
Harrisonburg	5.0¢	N/A
Hopewell	8.3¢	N/A
Lexington	5.0¢	N/A
Lynchburg	8.3¢	3.3¢
Manassas	8.3¢	N/A
Martinsville	8.3¢	3.3¢
Norfolk	8.3¢	3.3¢
Petersburg	5.0¢	3.3¢
Poquoson	5.0¢	N/A
Portsmouth	5.0¢	3.3¢
Radford	5.0¢	N/A
Richmond	5.0¢	N/A
Roanoke	5.0¢	3.3¢
Salem	5.0¢	3.3¢
Staunton	5.0¢	N/A
Suffolk	5.0¢	3.3¢
Virginia Beach	2.0¢	10.0¢
Waynesboro	5.0¢	3.3¢
Williamsburg	1.0¢	1.0¢
Winchester	5.0¢	3.3¢
Counties (Note: All counties responded to the survey. Those that answered "not applicable" for all items in this table are excluded.)		
Accomack	8.3¢	N/A
Albemarle	5.0¢	3.3¢
Alleghany	8.3¢	3.3¢
Amherst	5.0¢	N/A
Appomattox	5.0¢	N/A
Arlington	5.0¢	3.3¢
Augusta	8.3¢	3.3¢
Bath	8.3¢	3.3¢
Bedford	8.3¢	3.3¢
Bland	5.0¢	N/A
Botetourt	5.0¢	3.3¢
Brunswick	8.3¢	3.3¢
Buchanan	5.0¢	N/A
Buckingham	5.0¢	3.3¢
Campbell	8.3¢	3.3¢

N/A Not applicable.

^a The City of Franklin levies a tax on estates over \$1,000 (\$1.00 minimum)

Table 19.1 Legal Document Taxes, 2005 (continued)

Locality	Recordation Tax Rate (Per \$100)	Tax on Wills and Administration (Per \$100)
Counties (continued)		
Caroline	8.3¢	10.0¢ ^b
Carroll	8.3¢	3.3¢
Charles City	1.0¢	N/A
Charlotte	8.3¢	1.0¢
Chesterfield	8.3¢	N/A
Clarke	5.0¢	3.3¢
Craig	8.3¢	N/A
Culpeper	5.0¢	N/A
Dickenson	5.0¢	N/A
Dinwiddie	5.0¢	10.0¢
Essex	5.0¢	N/A
Fairfax	5.0¢	N/A
Fauquier	5.0¢	3.3¢
Floyd	8.3¢	3.3¢
Fluvanna	5.0¢	3.3¢
Frederick	8.3¢	3.3¢
Gloucester	5.0¢	N/A
Goochland	N/A	3.3¢
Greene	5.0¢	3.3¢
Greensville	5.0¢	10.0¢
Halifax	5.0¢	3.3¢
Hanover	8.3¢	3.3¢
Henrico	5.0¢	N/A
Henry	5.0¢	5.0¢
Highland	5.0¢	N/A
Isle of Wight	8.3¢	3.3¢
James City	5.0¢	N/A
King & Queen	5.0¢	N/A
King George	5.0¢	5.0¢
King William	8.3¢	3.3¢
Lee	5.0¢	3.3¢
Loudoun	5.0¢	3.3¢
Louisa	5.0¢	N/A
Lunenburg	5.0¢	3.3¢
Madison	5.0¢	N/A
Mathews	5.0¢	N/A
Mecklenburg	8.3¢	3.3¢
Middlesex	5.0¢	N/A
Montgomery	5.0¢	3.3¢
Nelson	5.0¢	N/A
New Kent	8.3¢	N/A
Northampton	5.0¢	3.3¢
Orange	8.3¢	3.3¢
Page	2.9¢	10.0¢
Patrick	8.3¢	N/A
Powhatan	5.0¢	3.3¢
Prince George	5.0¢	3.3¢
Prince William	5.0¢	3.3¢
Pulaski	8.3¢	N/A
Rappahannock	8.3¢	3.3¢
Richmond	5.0¢	N/A
Roanoke	5.0¢	N/A
Rockbridge	5.0¢	N/A
Rockingham	5.0¢	N/A
Russell	5.0¢	N/A

N/A Not applicable.

^b Caroline County levies a tax on estates over \$15,000.

Table 19.1 Legal Document Taxes, 2005 (continued)

Locality	Recordation Tax Rate (Per \$100)	Tax on Wills and Administration (Per \$100)
Counties (continued)		
Scott	5.0¢	3.3¢
Shenandoah	5.0¢	N/A
Southampton	5.0¢	N/A
Spotsylvania	5.0¢	N/A
Stafford	5.0¢	N/A
Surry	8.3¢	N/A
Sussex	5.0¢	N/A
Tazewell	5.0¢	N/A
Warren	5.0¢	3.3¢
Washington	5.0¢	N/A
Westmoreland	5.0¢	3.3¢
Wise	5.0¢	N/A
Wythe	2.0¢	N/A
York	5.0¢	N/A
Towns (Note: No towns imposed these taxes.)		