# *Virginia Commissioners of the Revenue Association*

## *2027 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 budget priorities for 2027:

1. **Principal Officer Compensation** – Commissioners seek to consolidate the population-based salary levels of all 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, 2027.

| Principal Officers - CRAV Initiative | # Officers (Pop. ↓ 70k) | FY2028 | FY2029 |
|---|---|---|---|
| ***Commisssioners of Revenue*** | *87* | *$1,826,347* | *$1,992,379* |
| Treasurers | 85 | $1,826,763 | $1,992,832 |
| Finance Directors | 0 | $0 | $0 |
| Total | 172 | $3,653,110 | $3,985,211 |

Treasurers seek to consolidate the population-based salary levels of all in localities with populations *less than 10,000* into one grouping at the higher bracket effective July 1, 2027.

| Principal Officers - TAV Initiative | # Officers (Pop. ↓ 10k) | FY2028 | FY2029 |
|---|---|---|---|
| ***Treasurers*** | *16* | *$161,397* | *$176,070* |
| Commisssioners of Revenue | 17 | $172,896 | $188,614 |
| Finance Directors | 0 | $0 | $0 |
| Total | 33 | $334,293 | $364,684 |

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

(over)

2. **Deputy Compensation** – Commissioners seek targeted salary increases for State Compensation Board-funded deputy staff in parity with classification and pay plan of Circuit Court Clerks, increasing salaries of positions in Pay Band 1 by 46.9%; Pay Band 2 by 27.01%; Pay Band 4 by 6.24%; in Pay Band 7 by 3.03%; and Pay Band 8 by 2.84%, effective July 1, 2027.

| Deputy Staff - CRAV Initiative (Full Parity Clerks) | # Staff Positions | FY2028 | FY2029 |
|---|---|---|---|
| ***Commisssioners of Revenue*** | *723* | *$3,298,762* | *$3,598,649* |
| Treasurers | 726 | $3,392,702 | $3,701,129 |
| Finance Directors | 368 | $1,868,902 | $2,038,802 |
| Total | 1817 | $8,560,366 | $9,338,580 |

The salaries for the lower-tier positions are inadequate, as low as *$30,380*, to attract and maintain staffing levels. By comparison, the entry level salary for Circuit Court Clerks staff is *$44,587.* As a result, Commissioners, Treasurers, and Finance Directors are having difficulty in filling and maintaining these positions.

Treasurers seek targeted salary increases for State Compensation Board-funded deputy staff by increasing salaries of positions in Pay Band 1 by 15% and 7.5% in Pay Band 2, effective July 1, 2027.

| Deputy Staff - TAV Initiative (15% Pay Band1 & 7.5% Pay Band2) | # Staff Positions | FY2028 | FY2029 |
|---|---|---|---|
| Commisssioners of Revenue | 453 | $906,072 | $988,442 |
| ***Treasurers*** | 474 | $940,136 | $1,025,602 |
| Finance Directors | 246 | $333,768 | $364,110 |
| Total | 1173 | $2,179,976 | $2,378,154 |

3. **Career Development Program Funding Support** - Increased participation in the Commonwealth-supported *Career Development Program's* for Commissioner has resulted in a shortfall with several principal officers and deputies who are qualified but unable to receive the incentive due to lack of funding.

| Career Development for Qualified, but Unfunded Deputies | # Staff Positions | FY2028 | FY2029 |
|---|---|---|---|
| Commisssioners of Revenue | 3 | $4,492 | $4,900 |
| Total | 3 | $4,492 | $4,900 |

4.

5. Parity w/state employees on retiree health care credit. Note that while state employees with at least 15 years of service are eligible for $4 per year of service (up to 30 years, at a max of $120 per month of credit) pursuant to *§ 51.1-1400*, constitutional officers and their employees with at least 15 years of service are, beginning July 1, 2026, eligible for $1.75 per year of service not to exceed a maximum monthly credit of $52.50 pursuant to *§51.1-1403.*

6. Parity w/state employees on compensation.

**Legislative priorities for 2027:**

7. Oppose any proposal to transfer the administration of Virginia's local transient occupancy tax (§ 58.1-3819. Transient occupancy tax. "TOT") from local administration to the Virginia Department of Taxation ("TAX").

8. *Data Centers and Proposed Amendment to Code of Virginia § 58.1-3901.*

   **Issue:** Data center customers routinely fail to report their equipment for local business personal property taxation due to a lack of familiarity with Virginia property tax laws and being misinformed regarding local tax liabilities.

   **Contributing Compliance Factors:**

   - **Anonymity Barriers –** Local tax authorities cannot independently identify the owners of this equipment, making tax enforcement impossible.

   - **Data Center Resistance –** Data center owners and operators are reluctant to voluntarily provide lists of tenants or entities that have equipment at their data centers and the tenants' and/or entities' contact information.

   - **Legal Ambiguity –** A recent District Court of Appeals case regarding whether localities possess the authority to request these lists was recently decided. While the judge ruled affirmatively upholding the authority of local Commissioners of the Revenue, due to the vagueness of the judge's ruling, many are misinterpreting the ruling.

   **Proposed Solution:** Introduction of a legislative amendment to the Code of Virginia § 58.1-3901 explicitly granting local tax authorities the power to require data center owners and/or operators to provide a list of tenants or entities with contact information that have equipment at their data centers.

   **Precedent:** Presently, 58.1-3901 grants similar authority to commissioners of the revenue to request of every apartment house, office building, shopping center, trailer camp, trailer court, self-service storage facility, marina, airport, and other owners or operators to file lists of tenants.

   **Suggested Language amending 58.1-3901:** Insert "E. Every data center owner or operator, shall upon request of the commissioner of the revenue of the county or city in which any such data center is located, file with such commissioner of the revenue a comprehensive list of tenants or entities with business tangible personal property residing at data centers or business facilities in the locality. The lists shall contain the name of the tenant or entity, contact person, contact information, date the entity contracted to store/connect the business tangible personal property, and amount of power allocated or space occupied."

(September 18, 2026)