



Office of Commissioner of the Revenue
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April 3, 2019

The Honorable Deanna Reed, Mayor
City of Harrisonburg
409 South Main Street
Harrisonburg, VA 22801

RE: Personal Property Tax Exemption for Way to Go Inc; Real Estate and Personal Property Tax Exemption for Harrisonburg Gift and Thrift Shop, Inc expansion; Personal Property Tax Exemption for Madison Automotive Apprentices, Inc; and Real Estate Tax Exemptions for Center for Health and Human Development.

Dear Mayor Reed:

In accordance with the guidelines of City Code §4-2-17. Exemptions for designated real property and designated personal property owned by certain nonprofit organizations, the committee has reviewed all the Applications for Tax Exemptions and all the supporting documentation (IRS exemption, tax returns, articles of incorporation, and bylaws etc) for Way to Go, Inc; Harrisonburg Gift and Thrift Shop, Inc; Madison Automotive Apprentices Inc; and Center for Health and Human Development. Each nonprofit organization tax revenue exemption and committee recommendation is detailed below:

-Way to Go, Inc personal property at the current tax rate of \$2.12 per \$100 of assessed value would generate \$134.43 of revenue in FY 20 and the vehicles at the current rate of \$3.50 per \$100 of assessed value of motor vehicles would generate \$ 195.13 of revenue in FY 20. The committee recommends that City Council approve the request for exemption.

-Harrisonburg Gift and Thrift Shop, Inc real estate property at the current tax rate of .85¢ per \$100 of assessed value would generate \$15,139 of revenue in FY 20. Their personal property at the current tax rate of \$2.12 per \$100 would generate \$254.57 and the motor vehicles at the current rate of \$3.50 per \$100 of assessed value would generate \$ 787.50 of revenue in FY 20. The committee recommends that City Council approve the request for exemption.

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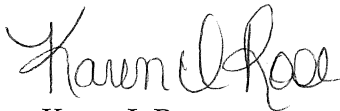
-Madison Automotive Apprentices Inc (MAAP) personal property at the current tax rate of \$2.12 per \$100 would generate \$430.23 of revenue in FY 20 and the vehicle at the current tax rate of \$3.50 per \$100 of assessed value would generate \$152.26 of revenue in FY 20. The committee recommends that City Council not approve the request for exemption. Although MAAP is a great nonprofit, the committee felt that their focus is narrow when answering § 4-2-17(b)(7) What specific services does the organization provide for the common good of the local citizens?

-Center for Health and Human Development real estate property at 748 Madison St at the current tax rate of \$.85¢ per \$100 of assessed value would generate \$1,271.60 of revenue in FY 20. The committee recommends that City Council not approve the request for exemption. §4-2-17(a)(3) specifically states that property for which the exemption is requested shall not be occupied or used by any person as a dwelling or for other personal use and §4-2-17(c) (iii) applicant is not delinquent in the payment of any city taxes, fees, or other charges has not been met.

-Center for Health and Human Development real estate property at 851 Madison St at the current tax rate of \$.85¢ per \$100 of assessed value would generate \$1,243.55 of revenue in FY 20. The committee recommends that City Council not approve the request for exemption. §4-2-17(a)(3) specifically states that property for which the exemption is requested shall not be occupied or used by any person as a dwelling or for other personal use.

Thank you for your consideration of this matter.

Respectfully yours,



Karen I. Rose
Commissioner of the Revenue



Jeffrey L. Shafer
Treasurer



Larry Propst
Director of Finance