



Office of the Town Manager
Christopher E. Martino

STAFF REPORT

Warrenton Town Council

Carter Nevill, Mayor
Heather Sutphin, Ward 1
William Semple, Ward 2
Brett Hamby, Ward 3
James Hartman, Ward 4 Vice Mayor
Jay Heroux, Ward 5
Paul Mooney, At Large
David McGuire, At Large

Council Meeting Date:	February 14, 2023
Agenda Title:	Agreed Real Estate Assessment Correction Order for Wal-Mart Real Estate Business Trust
Requested Action:	Review and consider approval of the Agreed Real Estate Assessment Correction Order
Department / Agency Lead:	Martin Crim, Town Attorney
Staff Lead:	Stephanie Miller, Director of Finance

EXECUTIVE SUMMARY

Wal-Mart Real Estate Business Trust filed an application for correction of erroneous assessment. The tax years for which Wal-Mart requested a correction were 2015, 2016, 2017, 2018, 2019, 2020, and 2021, as shown below:

<u>Tax Year</u>	<u>Current Assessment</u>	<u>Corrected Assessment</u>
2015	\$15,379,300	\$13,189,650
2016	\$15,379,300	\$13,189,650
2017	\$14,945,300	\$13,189,650
2018	\$15,063,900	\$12,628,350
2019	\$15,063,900	\$12,628,350
2020	\$15,063,900	\$12,628,350
2021	\$15,063,900	\$12,628,350

The Commissioner of the Revenue is agreeable to the corrected assessment. Interest is payable on the amount to be refunded at a rate of 10% APR. Wal-Mart has agreed to waive interest for Tax Years 2020 and 2021. This will result in a refund from the Town to Wal-Mart Real Estate Business Trust of \$9,251.96

BACKGROUND

Businesses and residents of the Town pay real estate and personal property tax to both the County and the Town. The Fauquier County Commissioner of the Revenue serves as the assessor for real and personal property located within the Town.

Code of Virginia Section 58.1-3980 prescribes that an application to the Commissioner of the Revenue to correct an assessment must be made within three years from the last day of the tax year for which the assessment is made, or within one year from the date of the assessment, whichever is later. Any appeal for a correction to an assessment is reviewed and processed by the Commissioner's office, then forwarded to the Town's Finance Department so that we may correct our records accordingly.

The calculation of the refund based on the counteroffer corrected assessment is show below:

Wal-Mart Real Estate Business Trust Property, PIN 6983-57-7857-000

Town of Warrenton

Year	Counteroffer	Tax Rate	Tax Based on Counteroffer	Amount Previously Paid	Refund	Number of Months Interest	Interest (10% APR)	Refund + Interest
2015-1	\$13,189,650	\$0.0075	\$989.22	\$1,153.45	\$164.23	91	\$124.54	\$288.76
2015-2	\$13,189,650	\$0.0075	\$989.22	\$1,153.45	\$164.23	85	\$116.33	\$280.55
2016-1	\$13,189,650	\$0.0075	\$989.22	\$1,153.45	\$164.23	79	\$108.12	\$272.34
2016-2	\$13,189,650	\$0.0250	\$3,297.41	\$3,844.83	\$547.42	73	\$333.01	\$880.43
2017-1	\$13,189,650	\$0.0250	\$3,297.41	\$3,844.83	\$547.42	67	\$305.64	\$853.06
2017-2	\$13,189,650	\$0.0250	\$3,297.41	\$3,844.83	\$547.42	61	\$278.27	\$825.69
2018-1	\$12,628,350	\$0.0250	\$3,157.09	\$3,883.53	\$726.44	55	\$332.95	\$1,059.40
2018-2	\$12,628,350	\$0.0250	\$3,157.09	\$3,883.53	\$726.44	49	\$296.63	\$1,023.07
2019-1	\$12,628,350	\$0.0250	\$3,157.09	\$3,885.33	\$728.24	43	\$260.95	\$989.20
2019-2	\$12,628,350	\$0.0250	\$3,157.09	\$3,885.33	\$728.24	37	\$224.54	\$952.78
2020-1	\$12,628,350	\$0.0250	\$3,157.09	\$3,765.98	\$608.89	0	\$0.00	\$608.89
2020-2	\$12,628,350	\$0.0250	\$3,157.09	\$3,765.98	\$608.89	0	\$0.00	\$608.89
2021-1	\$12,628,350	\$0.0250	\$3,157.09	\$3,765.98	\$608.89	0	\$0.00	\$608.89
2021-2	\$12,628,350	\$0.0250	\$3,157.09	\$3,765.98	\$608.89	0	\$0.00	\$608.89

\$9,251.96

STAFF RECOMMENDATION

Staff recommends that Council review and approve the Order.

Service Level/Policy Impact

None.

Fiscal Impact

This will result in a refund to Wal-Mart Real Estate Business Trust of \$9,251.96 which will reduce current year real estate revenue by the same amount. Fiscal Year 2023 real estate tax revenue is currently projected to exceed the adopted budget by \$12,000.

Legal Impact

The real estate correction order of the Circuit Court of Fauquier County is attached. The Town Attorney can address any questions with regard to the correction order.

ATTACHMENTS

1. Resolution
2. Order