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Authority approves new taxes, fees

By: Michelle Zimmermann

Northern Virginia has new taxes that will pay for its roads after a pivotal vote last Thursday night. Members of the region's transportation authority heard hours of testimony at a Falls Church middle school, being alternately praised for making tough choices and getting verbally clobbered by anti-tax advocates.

The Northern Virginia Transportation Authority (NVTA) will test the legality of its new powers in court in the coming months. As early as Jan. 1, 2008, the authority could begin to collect revenue from the new slate of fees.

The fees are expected to raise just over \$300 million annually and are to be used for a list of regional projects that include roads and transit as well as peripheral upgrades to signage and trails.

The majority of members expressed the view that though the revenue structure is imperfect, the new fees represent a start to finding a solution.

"This is not the beginning of the end, but rather, the end of the beginning," said Prince William representative Marty Nohe.

Many also asserted that to vote no would be far too expensive a delay while lawmakers seek another solution, saying that traffic only grows worse as time goes on.

"If not now, when? If not us, who?" said authority chairman Chris Zimmerman, who represents Arlington.

With 38 years of experience in the General Assembly, Del. Vince Callahan reminded listeners of the perennial complaint that Richmond never provides enough for Northern Virginia. Voters have long grumbled that they should be able to tax themselves to fix their own problems, rather than have the money filter through Richmond's complex allocation formulas.

"You've long alleged that you've been shortchanged," Callahan said. "I say, be careful what you ask for, because now you've got it."

Of the several hundred in attendance at Thursday night's hearing, speakers were evenly divided in their support for or opposition to the new fees.

Manassas businessman Guy Hinkler spoke in favor of the new taxes, calling them essential for the region to continue to grow. He displayed a leather object to the listening NVTA members.

"This is my wallet," he said, and proceeded to open his billfold. "You'll notice it's open, and I'm ready to pay."

Other speakers in the real estate and auto industries also declared their support, though many who said they favored the new taxes did so reluctantly.

"None of us like to pay extra taxes," said Prince William resident John Walvius. "But every one of us recognizes that to have new things, we need to pay for it. There is no free lunch."

Most speakers, however, merely implored the NVTA to spend the money raised with an excess of caution and wisdom.

The new taxes include a 40-cent grantor's tax on property sales; an additional \$10 each for car repairs, and 2-percent fee on first-time car registrations in the state; a 5-percent tax on labor charges for car repairs, and 2-percent increases each on rental cars and hotel rooms.

Those who attacked the fees called them an extra, unfair burden on those already struggling to make ends meet in one of the nation's priciest locales.

Joining the opposition block was Del. Jeff Frederick (R-Woodbridge), who voted against all the taxes. Loudoun County board Chairman Scott York (I-at large) voted against all but two, agreeing only to increases in taxes on rental cars and hotel rooms.

Several spoke in opposition to the tax on labor, calling it a slippery slope to taxes on other service charges.

Some citizens also said the grantor's tax, which would add to the final cost of closing on a home purchase, would prevent residents from relocating frequently, even if job situations change.



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