

2023 Vehicle Valuations

Henrico County, Virginia



Some vehicle valuations have increased in 2023 compared to 2022:

WHY?

Decreases in new car production

- Production staff issues
- Parts unavailability

Decreases in used car inventory

- Reduced rental and fleet sales to dealers
- Increased leased vehicle buyouts

Increased demand for some vehicles

- Gas price increases
- Interest rate increases

Most vehicle values are based on recognized pricing guides

Required by state law

Henrico uses the NADA Guide produced by JD Power

According to JD Power:



On average, used vehicle wholesale prices decreased about 10% in 2023 compared to 2022



This decrease is still less than the unprecedented price increases experienced in 2022 compared to 2021

Not all
vehicle
models
were
impacted
the same.

JD Power valuation changes for most Henrico-assessed vehicles ranged from -29% to 10+% compared to 2022

Sales price changes reported to JD Power:

- Small cars +1%
- Compact Cars -3%
- Midsize pickup trucks -4%
- Large cars -11%
- Midsize SUVs -15%

Localities
have
limited
options to
address
increases

State law requires localities to value vehicles at fair market value

Tax rates and valuation methods must be uniformly applied

State law requires localities to value vehicles as of January 1

What Henrico County is doing:

1) Lowering the tax rate for Qualifying Vehicles

- Tax rates will be lowered \$0.10 per \$100 assessed value
- This will reduce the personal property tax rate to \$3.40-down from \$3.50 per \$100 assessed value
- Cars, trucks, and motorcycles are eligible

What Henrico County is doing:

2) Increasing Personal Property Tax Relief for Qualifying Vehicles

- Tax relief under the PPTRA will be increased for 2023 by 2%
- The will relief percentage will be 42% compared to 40% for 2022
- Cars, trucks, and motorcycles are eligible if qualified for PPTRA
- PPTRA applies to the first \$20,000 in assessed value for qualifying vehicles

What we
can also
do:

Localities can consider
vehicle condition when
determining value

This includes high mileage
(as defined by JD Power) and
damage outside of normal
wear and tear

For further
information,
contact the
Finance
Department
Revenue
Division:



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