

ORANGE COUNTY, VIRGINIA
BOARD OF SUPERVISORS

R. MARK JOHNSON, DISTRICT ONE
JAMES K. WHITE, DISTRICT TWO
S. TEEL GOODWIN, DISTRICT THREE
JAMES P. CROZIER, DISTRICT FOUR
LEE H. FRAME, DISTRICT FIVE



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ORANGE, VA 22960

R. BRYAN DAVID
COUNTY ADMINISTRATOR

PHYSICAL ADDRESS:
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ORDINANCE OF APPROVAL

MOTION: GOODWIN

January 13, 2015

SECOND: JOHNSON

Regular Meeting

Ord. No. 150113 - PH1

RE: ORDINANCE APPROVING AMENDMENTS TO ARTICLE III, SECTION 58 OF THE ORANGE COUNTY CODE OF ORDINANCES CONCERNING TAX ABATEMENT

WHEREAS, Article III (Exemptions), Section 58 (Taxation), of the Orange County Code of Ordinances is in need of revision in order to be updated and aligned with State Code; and

WHEREAS, the County Attorney has drafted and recommended language for the necessary revisions, which were presented to the Board of Supervisors for consideration; and

WHEREAS, the Board of Supervisors has conducted a duly advertised public hearing on January 13, 2015, concerning the proposed revisions, and hereby finds and determines that the proposed revisions are necessary and are consistent with the requirements of State-enabling legislation;

NOW, THEREFORE, BE IT ORDAINED, on this 13th day of January, 2015, that the Orange County Board of Supervisors hereby **approves** the proposed amendments to Article III, Section 58 of the Orange County Code of Ordinances concerning tax abatement, as presented and attached.

Votes:

Ayes: Johnson, White, Goodwin, Crozier, Frame.

Nays: None.

Absent from Vote: None.

Absent from Meeting: None.

Attachment: Adopted Amendments to the Orange County Code of Ordinances

For Information: Thomas E. Lacheney, County Attorney
Renee L. Pope, Commissioner of the Revenue
Phyllis M. Yancey, Treasurer

CERTIFIED COPY


Clerk to the Board of Supervisors



Adopted Amendments to the Orange County Code of Ordinances

**As adopted in Ord. No. 150113 - PH1
by the Orange County Board of Supervisors
on January 13, 2015**

Article III - Exemptions

DIVISION 3. - EXEMPTIONS FOR CERTAIN ELDERLY AND DISABLED PERSONS

Sec. 58-131. - Authorized exemptions.

A real estate tax exemption is provided for qualified property owners who are 65 years of age or older or who are permanently and totally disabled in accordance with the provisions of Code of Virginia, §§ 58.1-3210 through 58.1-3217~~8~~.

The treasurer shall enclose written notice, in each real estate tax bill, of the terms and conditions of this local real estate tax exemption program. The treasurer shall also employ any other reasonable means necessary to notify residents of the county, city or town about the terms and conditions of the real estate tax exemption or deferral program for elderly and handicapped residents of the county, city or town.

~~Persons qualifying for the exemption are deemed to be bearing an extraordinary real estate burden in relation to their income and financial worth.~~

(Ord. of 8-10-1993, § 1)

Sec. 58-132. - Administration.

The exemption shall be administered by the commissioner of the revenue in accordance with the general provisions of Code of Virginia, §§ 58.1-3210 through 58.1-3217~~8~~. The commissioner of the revenue is authorized and empowered to prescribe, adopt, promulgate and enforce rules and regulations in conformity with the general provisions of such code sections, including the requirements of answers under oath, as may be reasonably necessary to determine qualifications for exemption as specified by this division. The commissioner of the revenue may require the production of certified tax returns and appraisal reports to establish combined income and net combined financial worth.

(Ord. of 8-10-1993, § 2)

Sec. 58-133. - Qualifications for grant of exemption.

The exemption provided in this division shall be granted to persons who meet the following provisions:

(1) The title to the property for which the exemption is claimed is held, or partially held, on January 1 of the taxable year by the eligible person claiming the exemption, and who is at least 65 or is permanently and totally disabled on December 31 of the year immediately preceding the taxable year; and,

(2) Such real estate shall be owned by, and occupied as, the sole dwelling of all owners; however, an applicant who is residing in a nursing home, convalescent home or other facility for physical or mental care shall be deemed to meet this condition so long as the real estate is not being used by or leased to another for consideration; and,

(3) For purposes of this section, "eligible person" means a person who is at least age 65 or permanently and totally disabled. Real estate owned and occupied as the sole dwelling of an eligible person includes real estate (i) held by the eligible person alone or in conjunction with his spouse as tenant or tenants for life or joint lives, (ii) held in a revocable inter vivos trust over which the eligible person or the eligible person and his spouse hold the power of revocation, or (iii) held in an irrevocable trust under which an eligible person alone or in conjunction with his spouse possesses a life estate or an estate for joint lives or enjoys a continuing right of use or support. The term "eligible person" does not include any interest held under a leasehold or term of years.

(43) The total combined income received from all sources during the immediately preceding calendar year by (i) the owners of the dwelling living in the dwelling, and of the (ii) owners' relatives living in the dwelling, and (iii) nonrelatives of the owners who live in the dwelling except for bona fide tenants or bona fide paid caregivers of the owners, shall not exceed \$40,000.00; and the first \$7,500.00 of income of each relative living in the dwelling, other than a spouse of the owners, and each nonrelative who lives in the dwelling, other than bona fide tenants or bona fide paid caregivers of the owners, shall not be included in such total; and,

(54) a. If the title to the property for which the exemption is claimed is held solely by the applicant, or together with the spouse of the applicant, with no other joint owners, then the net combined financial worth, including the present value of equitable interests, as of December 31 of the immediately preceding calendar year, of the applicant and of the spouse of the applicant, excluding the value of the dwelling and the land, not exceeding two (2) acres upon which the dwelling is situated, shall not exceed \$90,000.00; or,

b. If the title to the property for which the exemption is claimed is held by the applicant and one or more other individuals, and the net combined financial worth of all such joint owners, including the present value of all equitable interests and computed without any exclusion for the dwelling or for any other asset as of December 31 of the immediately preceding calendar year, does not exceed \$140,000.00, the exemption for the dwelling that otherwise would have been provided shall be prorated by multiplying the amount of the exemption by a fraction that has as a numerator the percentage of ownership interest in the dwelling held by all qualifying applicants, and as a denominator, 100 percent.

(Ord. of 8-10-1993, § 3; Ord. of 12-12-2000; Ord. of 7-26-2005; Ord. of 10-9-2007(2); Ord. of 10-13-2009(1); Ord. of 12-14-2010; Ord.#111213-PH1-B)

Sec. 58-134. - Claim procedure.

(a) Not later than March 1 of each year, the person claiming an exemption under this division must file a real estate tax exemption affidavit with the commissioner of the revenue.

(b) The affidavit shall set forth, in a manner prescribed by the commissioner of the revenue, the location, assessed value, and the tax on the property and the names of the related persons occupying the dwelling for which exemption is claimed, their gross combined income, and the combined net worth of the owners and the spouse of any owner.

If such person is under 65 years of age, such affidavit shall have attached thereto a certification by the Social Security Administration, the Department of Veterans Affairs or the Railroad Retirement Board, or if such person is not eligible for certification by any of these agencies, a sworn affidavit by two medical doctors who are either licensed to practice medicine in the Commonwealth or are military officers on active duty who practice medicine with the United States Armed Forces, to the effect that the person is permanently and totally disabled, as

defined in Virginia Code § 58.1-3217; however, a certification pursuant to 42 U.S.C. § 423 (d) by the Social Security Administration so long as the person remains eligible for such social security benefits shall be deemed to satisfy such definition in Virginia Code § 58.1-3217. The affidavit of at least one of the doctors shall be based upon a physical examination of the person by such doctor. The affidavit of one of the doctors may be based upon medical information contained in the records of the Civil Service Commission which is relevant to the standards for determining permanent and total disability as defined in Virginia Code § 58.1-3217.

(c) If, after audit and investigation, the commissioner of the revenue determines that such person is qualified for the exemption, he shall issue to such person a certificate which shall show the amount of the exemption from the claimant's real estate tax liability.

(Ord. of 8-10-1993, § 4; Ord. of 10-14-2003; Ord. of 10-13-2009(1))

Sec. 58-135. - Calculation of amount of exemption.

The persons qualifying for and claiming an exemption under this division shall be relieved of that portion of the real estate tax levied on the qualifying dwelling and land in the amount calculated in accordance with the following schedule:

Exemption percentage schedule if qualifying under section 58-133(4)a.

Range of Income		Financial	Worth	Range	
	\$0.00 - \$18,000.00	\$18,001.00 - \$36,000.00	\$36,001.00 - \$54,000.00	\$54,001.00 - \$72,000.00	\$72,001.00- \$90,000.00
\$0.00- \$15,000.00	90	80	70	60	50
\$15,001.00- \$20,500.00	80	70	60	50	40
\$20,501.00 - \$26,000.00	70	60	50	40	30
\$26,001.00 - \$31,500.00	60	50	40	30	20
\$31,501.00 - \$40,000.00	50	40	30	20	10

Exemption percentage schedule if qualifying under section 58-133(4)b.

Range of Income		Financial	Worth	Range	
	\$0.00- \$28,000.00	\$28,001.00 - \$56,000.00	\$56,001.00- \$84,000.00	\$84,001.00- \$112,000.00	\$112,001.00- \$140,000.00
\$0.00- \$15,000.00	90	80	70	60	50
\$15,001.00- \$20,500.00	80	70	60	50	40

\$20,501.00 - \$26,000.00	70	60	50	40	30
\$26,001.00 - \$31,500.00	60	50	40	30	20
\$31,501.00 - \$40,000.00	50	40	30	20	10

*(Ord. of 7-26-2005; Ord. of 10-9-2007(2); Ord. of 10-13-2009(1); Ord. of 6-28-2011(4);
Tables amended 12-13-2011 by Ord.#111213-PH1-B.)*

Sec. 58-136. - Changes in status.

(a) Changes in respect to income, financial worth, ownership of property or other factors occurring during the taxable year for which the affidavit is filed and having the effect of exceeding or violating the limitations and conditions provided in this division shall nullify any exemption for the then current taxable year and the taxable year immediately following.

(b) The transfer of ownership of the property from a qualifying spouse to a spouse who is less than 65 years of age and not permanently and totally disabled, when such transfer results solely from the death of the qualifying spouse, shall result in a prorated exemption for the then current taxable year. Such prorated exemption shall be determined by multiplying the amount of the exemption granted the qualifying spouse by a fraction in which the number of complete months of the year such property was properly eligible for such exemption is the numerator and the number 12 is the denominator.

(Ord. of 9-10-1993, § 6; Ord. of 10-13-2009(1))

~~**Sec. 58-137. - Penalties for violation of division.**~~

~~(a) Any person who shall falsely claim the exemption provided for in this division shall pay to the treasurer 110 percent of such exemption.~~

~~(b) The false claiming of the exemption authorized in this division shall constitute a class 3 misdemeanor.~~

~~(c) Failure to pay the difference between the exemption and the full amount of taxes levied on the property for which the exemption is issued by June 30 of the year after which exemption is issued shall constitute a forfeiture of the exemption.~~

~~*(Ord. of 10-13-2009(1))*~~

Secs. 58-138—58-165. - Reserved.