

ORANGE COUNTY, VIRGINIA
OFFICE OF THE COMMISSIONER OF THE REVENUE

RENEE POPE
COMMISSIONER OF THE REVENUE

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MEMORANDUM

TO: Orange County Board of Supervisors
FROM: Renee L. Pope, Commissioner of the Revenue
DATE: February 4, 2020
SUBJECT: Tax Relief for the Elderly and Handicapped-Income and Net Worth Tables

As presented at the January 14, 2020, Board of Supervisors meeting, I requested the Board to amend the requirements for net income and net worth for Tax Relief for the Elderly and Handicapped, which would assist a broader scope of citizens.

Based on a survey of surrounding localities, my recommendation was to increase the net income to \$50,000 and the net worth to \$120,000.00.

The proposed amendments are reflected in the attached ordinance. In addition to the change to net income and net worth, the tables for financial worth range have also been revised accordingly.

The Board has scheduled a public hearing to consider necessary amendments to the Taxation Ordinance to achieve these changes. The hearing has been advertised for February 11, 2020 at 7:00 p.m.

Sincerely,

A handwritten signature in cursive script that reads "Renee L. Pope".

Renee L. Pope, Commissioner of the Revenue

Orange County

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

BRENDA G. GARTON
INTERIM COUNTY ADMINISTRATOR

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MOTION: _____

SECOND: _____

February 11, 2020
Regular Meeting
Ord. No. 200211 – PH1

RE: **DRAFT ORDINANCE APPROVING / DENYING AMENDMENTS TO SECTION 58 (TAXATION) OF THE ORANGE COUNTY CODE OF ORDINANCES CONCERNING EXEMPTIONS FOR CERTAIN ELDERLY AND DISABLED PERSONS**

WHEREAS, at the request of the Commissioner of the Revenue, the Board of Supervisors previously initiated action on amendments to Section 58 (Taxation) of the Orange County Code of Ordinances concerning exemptions for certain elderly and disabled persons; and

WHEREAS, the County Attorney drafted recommended language for the amendments, which was presented to the Board of Supervisors for consideration; and

WHEREAS, the Board of Supervisors conducted a duly-advertised Public Hearing on February 11, 2020, to receive public comment; and

WHEREAS, following discussion at the Public Hearing, the Board of Supervisors hereby **supports / does not support** the proposed text amendments, as **presented / modified** during its meeting; and

WHEREAS, public necessity, convenience, general welfare, and/or good practice also **support / do not support** approval of the proposed text amendments;

NOW, THEREFORE, BE IT ORDAINED, on this 11th day of February, 2020, that the Orange County Board of Supervisors hereby **approves / denies** the amendments to Section 58 (Taxation) of the Orange County Code of Ordinances concerning exemptions for certain elderly and disabled persons, as **presented / modified** and attached.

Votes:

Johnson:

White:

Goodwin:

Crozier:
Frame:

Attachment: **Adopted Amendments to the Orange County Code of Ordinances**

For Information: **Thomas E. Lacheney, County Attorney**
 Renee L. Pope, Commissioner of the Revenue

CERTIFIED COPY _____

Clerk to the Board of Supervisors

DRAFT

DRAFT Amendments to the Orange County Code of Ordinances

**As adopted in Ord. No. 200211 – PH1
by the Orange County Board of Supervisors
on February 11, 2020**

Chapter 58 - Taxation

Division 3 - Exemptions for Certain Elderly and Disabled Persons

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.
- 4) 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~~ \$50,000.00; 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,
- 5) 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~~ \$120,000.00; 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~~ \$170,000.00, 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. of 12-13-2011; Ord. of 01-13-2015)

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)(5)a.

	Financial Worth Range				
	\$0.00-- \$18,000 <u>\$0.00 - \$24,000</u>	\$18,001-- \$36,000 <u>\$24,001 - \$48,000</u>	\$36,001-- \$54,000 <u>\$48,001 - \$72,000</u>	\$54,001-- \$72,000 <u>\$72,001 - \$96,000</u>	\$72,001-- \$90,000 <u>\$96,001 - \$120,000</u>
Range of Income					
\$0.00-- \$15,000 <u>\$0.00 - \$18,750</u>	90	80	70	60	50
\$15,001-- \$20,500 <u>\$18,751 - \$25,625</u>	80	70	60	50	40
\$20,501-- \$26,000 <u>\$25,626 - \$32,500</u>	70	60	50	40	30
\$26,001-- \$31,500 <u>\$32,501 - \$39,375</u>	60	50	40	30	20

\$31,501- \$40,000 \$39,376 - \$50,000	50	40	30	20	10
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Exemption percentage schedule if qualifying under section 58-133(4)(5)b.

	Financial Worth Range				
	\$0.00- \$28,000 \$0.00 - \$34,000	\$28,001- \$56,000 \$34,001 - \$68,000	\$56,001- \$84,000 \$68,001 - \$102,000	\$84,001- \$112,000 \$102,001 - \$136,000	\$112,001- \$140,000 \$136,001 - \$170,000
Range of Income					
\$0.00- \$15,000 \$0.00 - \$18,750	90	80	70	60	50
\$15,001- \$20,500 \$18,751 - \$25,625	80	70	60	50	40
\$20,501- \$26,000 \$25,626 - \$32,500	70	60	50	40	30
\$26,001- \$31,500 \$32,501 - \$39,375	60	50	40	30	20
\$31,501- \$40,000 \$39,376 - \$50,000	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)