

# Article III – Exemptions

## DIVISION 1. – GENERALLY

### Sec. 58-86. – Requirement for Triennial Renewal of Tax Exemption Status

Pursuant to §58.1-3605 of the Code of Virginia, all tax-exempt organizations, except for governments, shall file a triennial application with the Commissioner of the Revenue's Office in order to continue said tax-exempt status.

(Ordinance of 09-24-2019)

### Secs. 58-87–58-105. – Reserved.

## DIVISION 2. – CERTIFIED POLLUTION CONTROL EQUIPMENT AND FACILITIES

### Sec. 58-106. – Definitions.

The following words, terms and phrases, when used in this division, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

*Certified pollution control equipment and facilities* means any real or personal property, equipment, facilities or devices used primarily for the purpose of abating or preventing pollution of the atmosphere or waters of the county, and which the state certifying authority having jurisdiction with respect to such property has certified to the state department of taxation as having been constructed, reconstructed, erected or acquired in conformity with the state program or requirements for abatement or control of water or atmosphere pollution or contamination.

For all tax years beginning on or after January 1, 2011, such property shall not include the land on which such equipment or facilities are located.

*State certifying authority* means the state water control board, for water pollution; the state air pollution control board, for air pollution; the state department of mines, minerals and energy, for coal, oil and gas production, including gas, natural gas and coalbed methane gas; and the state waste management board, for waste disposal facilities, and shall include any interstate agency authorized to act in place of a certifying authority of the state.

*(Ord. of 12-9-1975, §§ 1, 2; Ord. of 10-13-2009(1))*

**Sec. 58-107. – Separate classification.**

Certified pollution control equipment and facilities are declared to be a separate class of property and shall constitute a classification for local taxation separate from other such classification of real or personal property and such property.

*(Ord. of 12-9-1975, § 2)*

**Sec. 58-108. – Exemption.**

Certified pollution control equipment and facilities shall be exempt from all county taxes, including taxes upon the sale, purchase or use of such equipment and facilities.

*(Ord. of 12-9-1975, § 2)*

**Secs. 58-109–58-130. – Reserved.**

**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.

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.

*(Ord. of 8-10-1993, § 1; Ord. 01-13-2015)*

**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. 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.

(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 \$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 \$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 \$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.#111213-PH1-B; Ord. 01-13-2015; Ord of 02-11-2020)*

**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); Ord. 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(5)a.

| Range of Income           |                      | Financial                 | Worth                     | Range                     |                            |
|---------------------------|----------------------|---------------------------|---------------------------|---------------------------|----------------------------|
|                           | \$0.00 - \$24,000.00 | \$24,001.00 - \$48,000.00 | \$48,001.00 - \$72,000.00 | \$72,001.00 - \$96,000.00 | \$96,001.00 - \$120,000.00 |
| \$0.00 - \$18,750.00      | 90                   | 80                        | 70                        | 60                        | 50                         |
| \$18,751.00 - \$25,625.00 | 80                   | 70                        | 60                        | 50                        | 40                         |
| \$25,626.00 - \$32,500.00 | 70                   | 60                        | 50                        | 40                        | 30                         |
| \$32,501.00 - \$39,375.00 | 60                   | 50                        | 40                        | 30                        | 20                         |
| \$39,376.00 - \$50,000.00 | 50                   | 40                        | 30                        | 20                        | 10                         |

Exemption percentage schedule if qualifying under section 58-133(5)b.

| Range of Income |                      | Financial                 | Worth                      | Range                       |                             |
|-----------------|----------------------|---------------------------|----------------------------|-----------------------------|-----------------------------|
|                 | \$0.00 - \$34,000.00 | \$34,001.00 - \$68,000.00 | \$68,001.00 - \$102,000.00 | \$102,001.00 - \$136,000.00 | \$136,001.00 - \$170,000.00 |

|                                 |    |    |    |    |    |
|---------------------------------|----|----|----|----|----|
| \$0.00-<br>\$18,750.00          | 90 | 80 | 70 | 60 | 50 |
| \$18,751.00-<br>\$25,625.00     | 80 | 70 | 60 | 50 | 40 |
| \$25,626.00<br>–<br>\$32,500.00 | 70 | 60 | 50 | 40 | 30 |
| \$32,501.00<br>–<br>\$39,375.00 | 60 | 50 | 40 | 30 | 20 |
| \$39,376.00<br>–<br>\$50,000.00 | 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., Ord of 02-11-2020)*

**Sec. 58-136. – Changes in status.**

(a) Changes in respect to income, financial worth, 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) If there is a change in ownership of the property, the taxpayer shall be entitled to a prorated exemption for the portion of the taxable year during which the taxpayer qualified for such exemption or deferral. If the new owner of the property is a first-time qualified applicant for the exemption, the new owner shall have thirty (30) days to apply for the exemption for the remainder of that current year. Such prorated exemption shall be determined by multiplying the amount of the exemption granted to the taxpayer 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 11-09-16)*

**Secs. 58-137–58-165. – Reserved.**