

# Public Hearing to Amend County Code, Chapter 15, Taxation, by Modifying the Real Estate Tax Relief for the Elderly and Disabled

December 3, 2025

Jennifer Matheny, Chief of Revenue Administration



# Agenda

- Overview of Current Program
- Proposed Program Updates
- Public Hearing
- Proposed Ordinance



# Real Estate Tax Relief for the Elderly and Totally Disabled Program Criteria

- Applicant is at least 65 years old or totally and permanently disabled (medically determined)
- Applicant is the title holder of the property as of January 1
- Applicant's property seeking tax relief may not be used in a business
- Applicant must meet certain income and financial net worth criteria

Criteria	Amount		
Income	\$0 - \$48,825	\$48,826 - \$73,238	\$73,239 - \$97,650
Net Worth*	\$0 - \$312K		
% Relief	100%	75%	50%

*\*Net worth excludes applicant's subject dwelling & land up to 10 acres  
For example, dwelling & first 10 acres are excluded on 15-acre residence*



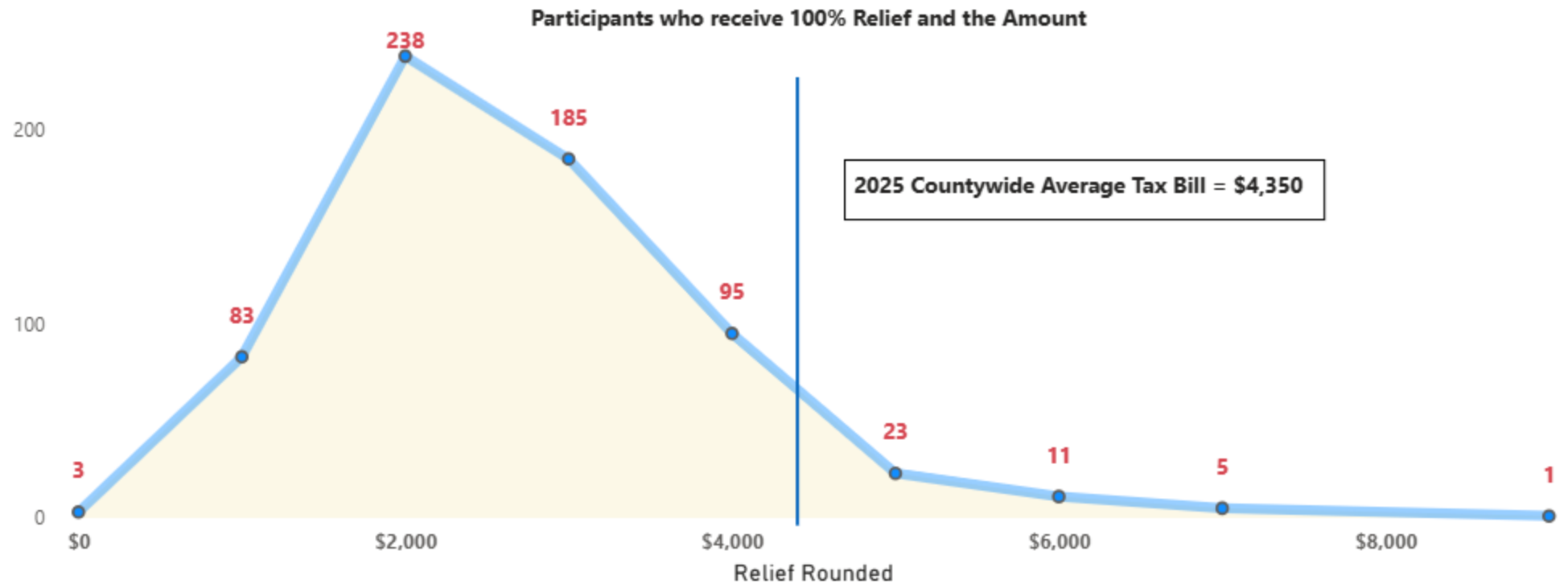
## Real Estate Tax Relief for the Elderly and Totally Disabled Program 2025 Data

- 886 Households participated in the program (29 more households than 2024)
- \$2.3M total dollar amount of relief awarded (\$400,000 more relief than 2024)
- Average income of applicants: \$37,506
- Average net worth of applicants: \$61,015

	100% Relief	75% Relief	50% Relief
% of Participants Receiving Relief	75%	20%	5%
Average Relief	\$2,666	\$2,387	\$2,093
Average Assessment	\$304,580	\$360,028	\$468,694



# Results of 2025 Changes & Participant Data





# Proposed Program Updates

## **Expand program with basis that is reasonably understandable**

- Increase the Income Limit
- Increase the Net Financial Worth Limit

## **Changes grounded in prudent financial management**

- This will be funded in the planned FY 27 Recommended Budget
- Provides total of projected \$120,000 in expanded relief

## **Administrative and System Impacts**

- Implement in tax year 2026 with minimal administrative and system impacts



# Proposed Program Updates

## **Income Limit:**

Align to the current value for the US Department of Housing & Urban Development Area Median Income (AMI) Limits, using the value for 80% AMI for a family of four in Albemarle County.

## **Net Combined Financial Worth:**

Align by the inflation adjusted value of \$200,000 in 2007 and rounded to the nearest \$1,000.





## 2026 Increase the Net Income Limit \$97,650 → \$100,650

	Current Income Criteria		
Income	\$0 - \$48,825	\$48,826 - \$73,238	\$73,239 - \$97,650
% Relief	100%	75%	50%
Adjusted Income Criteria Based on 80% AMI for Family of Four			
Income	\$0-\$50,325	\$50,326 - \$75,488	\$75,489 - \$100,650
% Relief	100%	75%	50%

### Analysis:

- Increases highest income threshold from \$97,650 to \$100,650 based on 80% of area median income for family of four
- Can implement in CY 26 with minimal administrative & system impacts
- FY 27 budget projection = \$100,000 in expanded relief





# Increase the Net Financial Worth Limit

Current	Proposed
\$0-\$312,000	\$0-\$321,000*

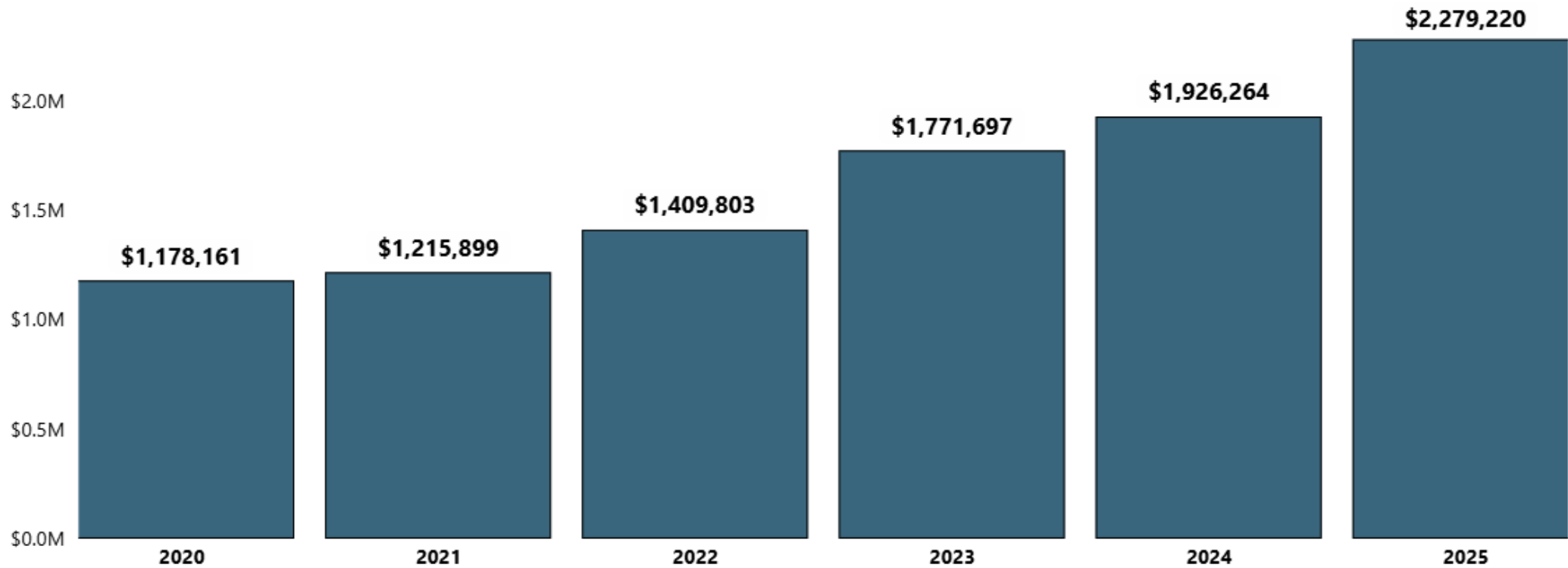
*\*Proposed amount based on September 2025 inflation data, rounded to the nearest \$1,000*

## Analysis:

- \$321K = inflation adjusted value of \$200,000 in 2007
- Can implement in CY 26 with minimal administrative & system impacts
- FY 27 budget projection = \$20,000 in expanded relief



# Total Real Estate Tax Relief Per Year





# Public Hearing

## Real Estate Tax Relief for the Elderly and Totally Disabled Program

### **Income Limit:**

Align to the current value for the US Department of Housing & Urban Development Area Median Income (AMI) Limits, using the value for 80% AMI for a family of four in Albemarle County.

### **Net Combined Financial Worth:**

Align by the inflation adjusted value of \$200,000 in 2007 and rounded to the nearest \$1,000.



# Proposed Ordinance

Staff recommends the Board of Supervisors adopt the proposed Ordinance in Attachment A.