Albemarle County

Legislation Details (With Text)

File #:	24-212	**Version:** 1	**Name:**		
Type:	Ordinance		**Status:**	Public Hearing	
File created:	3/21/2024		**In control:**	Board of Supervisors	
On agenda:	4/17/2024		**Final action:**		

Title: Public Hearing to Consider the Adoption of an Ordinance to Modify Real Estate Tax Relief for Elderly and Disabled Persons. To receive public comment on its intent to adopt an ordinance to amend County Code Chapter 15, Taxation. The proposed ordinance would amend Article 7, Real Property Tax, Division 2, Real Property Tax Exemption for Certain Elderly and Disabled Persons, Sections 15-709, Real property eligible for an exemption, and 15-710, Amount of exemption. The proposed amendment would increase the maximum annual income threshold eligible for the exemption from $83,850 to $88,800, would increase each income bracket eligible for partial tax relief, and would increase the net worth threshold eligible for tax exemption from $250,000 to $305,000. All proposed amendments would be enabled by Virginia Code §§ 58.1-3210 and 58.1-3215, to be effective on and after January 1, 2024.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Att.A - Real Estate Tax Relief for Elderly and Disabled Persons - Proposed Ordinance

Date	Ver.	Action By	Action	Result

AGENDA DATE: 4/17/2024

TITLE:
Public Hearing to Consider the Adoption of an Ordinance to Modify Real Estate Tax Relief for Elderly and Disabled Persons

SUBJECT/PROPOSAL/REQUEST: Public hearing to consider the adoption of an Ordinance to amend County Code Chapter 15, Taxation, Article 7, Real Property Tax, by modifying the criteria for real estate tax relief for elderly and disabled persons.

ITEM TYPE: Regular Action Item

STAFF CONTACT(S): Richardson, Rosenberg, Bessette, Sumner, Bowman, Matheny, Wilson

PRESENTER (S): Andy Bowman

LEGAL REVIEW: Yes

REVIEWED BY: Jeffrey B. Richardson

BACKGROUND: During its Fall 2023 five-year financial planning process, the Board indicated support for broadening the eligibility for real property tax relief through the current program for Real Estate Tax Relief for Elderly and Disabled Persons. The Board directed staff to evaluate program adjustments during the Fiscal Year 2025 budget process. Staff evaluated increasing the income limit to 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, as well as the net combined financial worth limit. Under Virginia Code § 58.1-3210, the County has authority to modify the qualifying criteria.

STRATEGIC PLAN: Mission - To enhance the well-being and quality of life for all community members through the provision of the highest level of public service consistent with the prudent use of public funds.

DISCUSSION: Albemarle County Code Chapter 15, Article 7, Division 2, Real Property Tax Exemption for Certain Elderly and Disabled Persons, describes the County's real property tax relief program for elderly and disabled persons. Based on direction from the Board of Supervisor's March 13, 2024 budget work session, the proposed ordinance (Attachment A) would modify the current program criteria with the following:

- Increase the net income limit from $83,850 to $88,800
- Increase the net financial worth limit from $250,000 to $305,000
- Modify the three relief percentage brackets from $0 to $44,400 for 100% relief, $44,401 to $66,600 for 75% relief, and $66,601 to $88,800 for 50% relief.

The change would be effective for Tax Year 2024, which began on January 1, 2024.

BUDGET IMPACT: The proposed modification to the Real Estate Tax Relief for Elderly and Disabled Persons program would decrease collectible tax revenues. For FY 25, the budgetary impact of increasing the income and net worth limits is estimated to be $120,000 and is incorporated into the Board of Supervisors' FY 25 Recommended Budget.

RECOMMENDATION:
Staff recommends that the Board adopt the attached proposed ordinance (Attachment A).

ATTACHMENTS:
A - Real Estate Tax Relief for the Elderly and Disabled Proposed Ordinance