



# Albemarle County

## Legislation Details (With Text)

**File #:** 23-233      **Version:** 1      **Name:**

**Type:** Ordinance      **Status:** Public Hearing

**File created:** 3/27/2023      **In control:** Board of Supervisors

**On agenda:** 4/19/2023      **Final action:**

**Title:** Public Hearing to Consider the Adoption of an Ordinance to Modify the Real Estate Tax Relief for the Elderly and Disabled. 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 \$75,100 to \$83,850, would increase each income bracket eligible for partial tax relief, and would increase the net worth threshold eligible for tax exemption from \$200,000 to \$250,000. All proposed amendments would be enabled by Virginia Code §§ 58.1-3210 and 58.1-3215, to be effective on and after January 1, 2023.

**Sponsors:**

**Indexes:**

**Code sections:**

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

Date	Ver.	Action By	Action	Result
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**AGENDA DATE:** 4/19/2023

**TITLE:**

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

**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 real estate tax relief for the elderly and disabled program criteria.

**ITEM TYPE:** Regular Action Item

**STAFF CONTACT(S):** Richardson, Rosenberg, Bessette, Birch, Sumner, Lin, Wilson

**PRESENTER (S):** Jacob Sumner

**LEGAL REVIEW:** Yes

**REVIEWED BY:** Jeffrey B. Richardson

**BACKGROUND:** At the March 22, 2023 Fiscal Year 2024 (FY 24) budget work session, the Board provided feedback to staff to expand eligibility for the Real Estate Tax Relief for the Elderly and Disabled program by increasing the income limit to align with the County's FY 22 Housing and Urban Development's 80% of area median income for a family of four, as well as the net combined financial worth limit enabled by Virginia Code §58.1-3212 Under the State Code, the County has authority to modify the program.

**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 for the elderly and disabled program. The proposed ordinance (Attachment A) would modify the current program with the following items:

1. Increase the net income limit from \$75,100 to \$83,850.
2. Increase the net financial worth limit from \$200,000 to \$250,000.
3. Modify the three income relief percentage brackets to
  - \$0 to \$41,925 for 100% relief
  - \$41,926 to \$62,888 for 75% relief
  - \$62,889 to \$83,850 for 50% relief

The change is effective for tax year 2023 which began on January 1, 2023 and would become effective immediately.

**BUDGET IMPACT:** The modification to the real estate tax relief for the elderly and disabled would decrease collectible tax revenues. For FY 24, the budgetary impact of increasing the net income limit is estimated to be \$125,000 and is incorporated into the FY 24 Proposed Budget. The budgetary impact of increasing the net worth limit is estimated to be an additional \$125,000. Staff will propose options for funding this within the FY 24 budget at the Board's April 19<sup>th</sup> budget work session.

**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