

ORDINANCE NO. 3891

AN ORDINANCE to amend and reordain Sections 3-2-163 (SAME--ELIGIBILITY, RESTRICTIONS GENERALLY), 3-2-165 (SAME--PROCEDURE FOR CLAIM), 3-2-166 (SAME--CALCULATION OF AMOUNT; LIMITATION), and 3-2-167 (CHANGE IN STATUS), all of Article L (REAL ESTATE TAX EXEMPTION OR DEFERRAL FOR ELDERLY OR PERMANENTLY AND TOTALLY DISABLED PERSONS), Chapter 2 (TAXATION), Title 3 (FINANCE, TAXATION AND PROCUREMENT) of The Code of the City of Alexandria, Virginia, 1981, as amended.

THE CITY COUNCIL OF ALEXANDRIA HEREBY ORDAINS:

Section 1. That Section 3-2-163 of The Code of the City of Alexandria, Virginia, 1981, as amended, be, and the same hereby is, amended and reordained to read as follows:

Sec. 3-2-163 Same--eligibility, restrictions generally.

Exemptions from or deferral of real estate taxation in any taxable year shall be granted subject to the following restrictions and conditions:

(1) the total combined income for the calendar year immediately preceding the tax year of an applicant for an exemption may not exceed \$20,000. Such income of an applicant for a deferral may not exceed \$25,000.

(2) the net combined financial worth of an applicant may not exceed \$150,000.

(3) as of January 1 of the taxable year, the applicant must occupy the real estate for which the exemption or deferral is sought as his or her sole residence and must be expected to so occupy the real estate throughout the year; provided, that an applicant who is residing in a hospital, 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.

(4) an applicant shall file the affidavit or written statement, or the annual certification, required by section 3-2-165 no later than April 10 of the tax year.

(5) interest on any taxes deferred under this article shall accrue at the rate of eight percent per annum from the date by which such taxes were required to be paid to the date on which such taxes are paid in full. Any and all deferred taxes shall constitute a single lien upon the applicant's real estate as if no deferral had been granted and the taxes had been assessed but not paid. To the extent it exceeds, in the aggregate, 10 percent of the price for which such real estate is sold or, if not sold, 10 percent of its assessed value, any such lien shall be inferior to all other liens.

Section 2. That Section 3-2-165 of The Code of the City of Alexandria, Virginia, 1981, as amended, be, and the same hereby is, amended and reordained to read as follows:

Sec. 3-2-165 Same--procedure for claim.

(a) Except as provided in subsection (e), not later than April 10 of the taxable year, any applicant claiming an exemption or deferral of real estate taxes under this article shall file with the city manager, in such manner as the manager shall prescribe and on forms to be supplied by the city, an affidavit or a written statement providing the following:

- (1) the name and age of the applicant;
- (2) a statement whether the applicant is permanently and totally disabled;
- (3) the address of the real estate for which the exemption or deferral is claimed;
- (4) the names of the applicant's spouse and of the relatives of the applicant and any other owners of the real estate who reside in the applicant's dwelling;
- (5) the total combined income of the applicant as defined in section 3-2-161(10);
- (6) the net combined financial worth of the applicant as defined in section 3-2-161(6);
- (7) the applicant's election of an exemption or deferral; and
- (8) the name and addresses of all owners of the real estate other than the owners who reside thereon.

(b) If, after audit and investigation, the city manager determines that the applicant is eligible for an exemption or deferral, the manager shall so certify to the director of finance, who shall deduct the amount of the exemption from the applicant's real estate tax liability or defer such tax liability as herein provided.

(c) Any provision of this article to the contrary notwithstanding, the city council may declare eligible to apply for an exemption or deferral any person filing the affidavit or written statement or written certification, required by subsection (a) after April 10 but before June 30 of the taxable year, provided good cause is shown for the failure to file the affidavit or statement before April 10 of the taxable year.

(d) Any applicant under 65 years of age claiming an exemption or deferral on the basis of a permanent and total disability shall attach to the affidavit or written statement or written certification required by subsection (a) a certification by the Social Security Administration or, if the person is not eligible for social security, an affidavit by two medical doctors licensed to practice medicine in the commonwealth to the effect that the person is unable to engage in any substantial gainful activity by reason of a medically determinable physical or mental impairment or deformity which can be expected to result in death or can be expected to last for the duration of the person's life.

(e) The affidavit or written statement required by subsection (a) need be filed only once in every three years. For each year as to which an affidavit or statement is not filed, the taxpayer shall file with the city manager, not later than April 10, a written certification, on forms to be supplied by the city, in which the taxpayer states that the information contained in the taxpayer's last filed affidavit or statement has not changed in a manner which affects either the taxpayer's eligibility for an exemption or deferral under this article or the amount of the exemption or deferral. In the event that the information in the last filed affidavit or statement has changed in such a manner, the taxpayer shall file a new affidavit or written statement pursuant to subsection (a).

Section 3. That Section 3-2-166 of The Code of the City of Alexandria, 1981, as amended, be, and the same herein is, amended and reordained to read as follows:

Sec. 3-2-166 Same--calculation of amount; limitation.

The exemption from or deferral of real estate taxes granted under this article for any tax year shall be calculated as follows:

(1) when the total combined income of the application does not exceed \$10,000, the applicant shall be exempt from the taxes owed for the year;

(2) when the total combined income of the application exceeds \$10,000 but does not exceed \$20,000, the applicant shall be exempt from the taxes owed for the year or from taxes in the amount of \$1,500, whichever is less, and may defer all or part of the amount of such taxes in excess of \$1,500; and

(3) when the total combined income of the applicant exceeds \$20,000 but does not exceed \$25,000, the applicant may defer all or part of the taxes owed for the year;

pprovided, that if the real estate identified in the affidavit or written statement filed under section 3-2-165 is not owned solely by the applicant and his or her spouse, the amount of the tax

exemption or deferral shall be either the amount of the taxes on the real estate for the tax year times the percentage ownership interest in the real estate held by the applicant, or by the applicant and his or her spouse, or \$1,500, whichever is less.

Section 4. That Section 3-2-167 of The Code of City of Alexandria, 1981, as amended, be, and the same herein is, amended and reordained to read as follows:

Sec. 3-2-167 Change in status.

Changes in income, financial worth, ownership of property or other factors occurring during the taxable year for which an affidavit or written statement, or a written certification, is filed and causing any of the restrictions, limitations or conditions provided in this article to be exceeded or violated shall nullify any exemption or deferral for the then current taxable year and the taxable year immediately following. The transfer of ownership of the property from a qualifying spouse to a spouse who is less than 65 years of age and not permanently or totally disabled, when such transfer results solely from the death of the qualifying spouse, shall result in a prorated exemption or deferral for the then current taxable year. Such prorated exemption or deferral shall be determined by multiplying the amount of the exemption or deferral granted the qualifying spouse by a fraction in which the number of complete months of the year such property was properly eligible for such exemption or deferral is the numerator and the number 12 is the denominator.

Section 5. That this ordinance shall become effective upon the date and at the time of its final passage.

KERRY J. DONLEY
Mayor

Final Passage: November 16, 1996