

ORDINANCE NO. 3928

AN ORDINANCE to add a new Section 3-2-224.2 (ALTERNATIVE TAX RATE FOR ELDERLY AND HANDICAPPED) to Division 3 (TANGIBLE PERSONAL PROPERTY AND MACHINERY AND TOOLS) of Article M (LEVY AND COLLECTION OF PROPERTY TAXES), 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 Division 3 of Article M, Chapter 2 and Title 3 of The Code of the City of Alexandria, Virginia, 1981, as amended, be, and the same hereby is, amended by adding thereto a new Section 3-2-224.2 to read as follows:

Sec. 3-2-224.2 Alternative Tax Rate for Elderly and Handicapped

(a) This section is intended to provide preferential tax treatment for one motor vehicle owned by an elderly or handicapped person, or by the spouse of such a person, where the person and spouse, if any, have income of less than \$20,000 per year and a net worth, exclusive of a principal residence, of less than \$75,000.

(b) Definitions. For purposes of this section, the following terms shall have these meanings:

(1) "Combined income" means the total income of a qualified person received from all sources during the preceding calendar year, combined with the total income received during the preceding year by the person's spouse who, at the time of an application under this section, lives in the same dwelling. All income limitations under this section shall be computed by aggregating the income of a husband and wife who reside in the same dwelling, and shall be applied to any applicant for preferential tax treatment, irrespective of how the motor vehicle for which the applicant is seeking the preferential tax treatment may be titled.

(2) "Combined net worth" means the net worth of a qualified person, combined with that of his or her spouse, including the present value of all equitable interests, as of December 31 of the immediately preceding calendar year, but excluding the value of a principal residence and the land, not exceeding one acre, upon which it is situated. All net worth limitations under this section shall be computed by aggregating the assets of a husband and wife who reside in the same dwelling and shall be applied to any applicant for preferential tax treatment, irrespective of how the motor vehicle for which the applicant is seeking the preferential tax treatment may be titled.

(3) "Director" means the director of finance.

(4) "Motor vehicle" shall include only automobiles and pickup trucks.

(5) "Permanently and totally disabled" means unable to engage in any substantial gainful activity by reason of any 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 such person's life; provided, that a certification made with respect to a specific person pursuant to 42 U.S.C. ' 423(d) by the Social Security Administration shall, for so

long as the person remains eligible for the social security benefits to which the certification applies, be deemed to satisfy this definition.

(6) "Qualified motor vehicle" means a motor vehicle which is owned by and used primarily by or for a qualified person and which is currently assessed by the city at less than \$30,000. Only one qualified motor vehicle may be owned and used primarily by or for any qualified person. If a qualified person uses more than one motor vehicle, the motor vehicle with the highest assessed value shall be considered to be the qualified motor vehicle. Any motor vehicle owned jointly by a husband and wife may be a qualified motor vehicle if either spouse is a qualified person. Where both spouses are qualified persons, only one qualified motor vehicle is permitted for both.

(7) "Qualified person" means a person who is at least sixty-five years of age or a person who is permanently and totally disabled.

(c) There shall be levied and collected, for every calendar year, on all qualified motor vehicles having a tax situs in the city, a tax of \$0.01 on every \$100 of assessed value thereof, for the support of the city government, for the payment of principal and interest of the city debt and for other municipal expenses and purposes.

(d) A qualified person applying for tax relief pursuant to this section shall have a combined income not exceeding \$20,000 and a combined net worth not exceeding \$75,000.

(e) Application procedure.

(1) A qualified person applying for preferential tax treatment under this section ("applicant") shall file with the director by April 10 an affidavit, under oath, in which the applicant subscribes and swears to the following:

(a) the name of the applicant;

(b) when the applicant is applying for the preferential tax rate on the basis of age, the applicant's age and social security number or, in the alternative, independent proof of age satisfactory to the director and attached to the affidavit;

(c) when the applicant is applying for the preferential tax rate on the basis of disability, a statement that the applicant is permanently and totally disabled, as defined in this section;

(d) a statement that the applicant's combined income does not exceed \$20,000; and

(e) a statement that the applicant's combined net worth does not exceed \$75,000.

(2) Where the applicant is under sixty-five years of age, the 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 this section. The affidavit of at least one of the doctors shall be based upon a physical examination of the person by the doctor.

(3) The affidavit required by subsection (1) need be filed only once in every three years, and in those years shall be filed no later than April 10. For each year as to which an affidavit is not filed, the taxpayer shall file with the director, 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 has not changed in a manner which affects the taxpayer's eligibility for preferential tax treatment under this section. In the event that the information in the last filed affidavit has changed in such a manner, the taxpayer shall file a new affidavit statement pursuant to subsection (1).

(f) Proration.

(1) Changes in income, financial worth, ownership of property or other factors occurring during the tax year for which an affidavit or certification is filed and having the effect of exceeding or violating the limitations and conditions provided herein shall, from the time the changes occur, nullify any preferential tax rate for the remainder of the tax year.

(2) An individual who becomes a qualified person during a year for which taxes have been paid on a qualified motor vehicle may receive preferential tax treatment for that portion of the year during which he meets the requirements of this section.

Section 2. That, notwithstanding any contrary provision of this ordinance or of The Code of the City of Alexandria, for tax year 1997, applications for personal property tax relief pursuant to city code ' 3-2-224.2 must be received by the director of finance on or before October 5, 1997. For persons who timely file such an application, no late penalty or interest shall be assessed in connection with the calendar year 1997 personal property tax on the vehicle for which tax relief is sought in the application, until 30 days have passed from the director's notification to the applicant that his application has been denied and that property taxes on the vehicle are due.

Section 3. That this ordinance shall become effective upon the date and at the time of its final passage.

KERRY J. DONLEY
Mayor

ATTEST:

Beverly I. Jett, CMC, City Clerk

Final Passage: May 17, 1997