

ORDINANCE NO. 4446

AN ORDINANCE to amend and reordain Section 3-2-163 (EXEMPTION OR DEFERRAL B ELIGIBILITY, RESTRICTIONS GENERALLY) and Section 3-2-166 (SAME B CALCULATION OF AMOUNT, LIMITATIONS), of Division 1 (REAL ESTATE TAX EXEMPTION OR DEFERRAL FOR ELDERLY OR PERMANENTLY AND TOTALLY DISABLED PERSONS), Article L (REAL ESTATE TAX RELIEF), 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 Sections 3-2-163 and 3-2-166 of the Code of the City of Alexandria, Virginia, 1981, as amended, be, and the same hereby are, amended and reordained to read as follows:

Sec. 3-2-163 Same B 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 taxable year of an applicant may not exceed the limits established by section 3-2-166.

(2) The net combined financial worth of an applicant may not exceed \$340,000 for taxable year 2006, and \$540,000 for taxable year 2007 and thereafter.

(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 annual certification, required by section 3-2-165 no later than April 15 of the taxable year.

(5) Interest on any taxes deferred under this article division shall accrue at the rate of five 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.

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

(a) The exemption from or deferral of real estate taxes granted under this division for any taxable year shall be limited and calculated as follows:

(1) when the total combined income of the applicant does not exceed \$40,000, the applicant shall be exempt from the taxes owed for the year;

(2) when the total combined income of the applicant exceeds \$40,000 but does not exceed \$55,000, the applicant shall be exempt from 50 percent of the taxes owed for the year, and may defer all or part of the amount of such taxes in excess of the amount exempted; and

(3) when the total combined income of the applicant exceeds \$55,000 but does not exceed \$72,000, the applicant shall be exempt from 25 percent of the taxes owed for the year, and may defer all or part of the amount of such taxes in excess of the amount exempted

(b) Notwithstanding the provisions of subsection (a) above, 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 the amount of the taxes on the real estate for the taxable year times the percentage ownership interest in the real estate held by the applicant, or by the applicant and his or her spouse.

(c) Notwithstanding the provisions of subsection (a) above, if an applicant becomes eligible for exemption or deferral of real estate taxes owed during the course of the taxable year, the amount of the exemption or deferral computed under subsection (a) shall be reduced by one-twelfth of such amount for each full calendar month of the taxable year during which month such applicant is not eligible for exemption or deferral.

Section 2. That this ordinance shall become effective January 1, 2006, nunc pro tunc.

WILLIAM D. EUILLE
Mayor

Final Passage: April 24, 2006