

2/14 1-1-13

ORDINANCE #2013-2

ORDINANCE TO PROVIDE REAL ESTATE TAX DEFERRAL for ELDERLY and HANDICAPPED PERSONS

Pursuant to Virginia Code Section 58.1-3210 et set (1950, as amended) it is hereby ORDAINED by the Board of Supervisors of Madison County, Virginia, that elderly and handicapped taxpayers of Madison County, Virginia, may receive real estate tax deferral as follows:

- 1. Definitions. The following words, terms and phrases, when used in this division, shall have the meaning ascribed to them in this section, except where the context clearly indicates a different meaning:

Commissioner of Revenue. Commissioner of the Revenue of Madison County.

Deferral. Deferral of Madison County, Virginia, real estate taxes pursuant to the provisions of this ordinance.

Permanently and totally disabled. A Madison County taxpayer who is 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.

Tax. The annual real estate tax of Madison County, Virginia.

Taxpayer. A person who owns and occupies real property as his/her sole dwelling which is subject to the real estate tax of Madison County, Virginia.

- 2. Prerequisites for deferral.

- (a) Tax deferral is authorized for taxpayers who are not less than sixty-five (65) years of age, or who are permanently and totally disabled, and who are eligible under the provisions of this division. A dwelling jointly held by a husband and wife may qualify if either spouse is sixty-five (65) or over or is permanently and totally disabled.

- (b) Deferral is authorized only if:

- (1) The total combined gross income during the immediately preceding calendar year from all sources of the owners of the dwelling living therein and of the owners' relatives living in the dwelling does not exceed thirty thousand dollars (\$30,000.00); and

- (2) The gross combined financial worth, including equitable interests, as of December thirty-first of the immediately preceding calendar year of the owner and of the spouse of any owner, excluding the value of the dwelling and the land, not exceeding three (3) acres, upon which it is situated, does not exceed seventy-five thousand dollars (\$75,000.00).

3. Deferral applies only to residential property.

The real estate deferral under this ordinance applies only to residential real property, and no income producing residential property or combination of business and residential property shall be entitled to real estate tax deferral.

4. Taxpayer's affidavit; certificate of disability.

- (a) To qualify for deferral, a taxpayer must file annually prior to April 1 with the Commissioner of the Revenue an affidavit under oath setting forth:

- (1) The location and description of property sought for tax deferral; and
- (2) The names, ages, combined financial worth and gross income for the preceding calendar year of the owners of the property; and
- (3) The names and income for the preceding calendar year of related persons occupying the property.

- (b) If a taxpayer is under sixty-five (65) years of age such affidavit shall have attached thereto a certification by the Veterans Administration or the Railroad Retirement Board, or if the taxpayer is not eligible for certification by any of these agencies, a sworn affidavit by two (2) medical doctors licensed to practice medicine in the state that the taxpayer is permanently and totally disabled, as defined in paragraph 1.

5. Commissioner of the Revenue may request documents and make inquiry.

In administering this ordinance, the Commissioner of the Revenue may request certified tax returns or other documents of the taxpayer necessary to establish the income or financial worth of the taxpayer. The Commissioner may make reasonably necessary inquiries of the taxpayer, requiring answers under oath, to determine qualifications specified in this ordinance, including qualification as permanently and totally disabled.

6. Taxpayer's residency in hospital etc.

The fact that a taxpayer who is otherwise qualified for deferral pursuant to this ordinance is residing in a hospital, nursing home, convalescent home or other facility for physical or mental care for extended periods of time shall not be construed to mean that the property for which

tax deferral is sought does not continue to be the sole dwelling of such taxpayer during such extended periods of other residence, so long as such property is not used by or leased to others for consideration.

7. Amount of deferral.

A taxpayer who qualifies for deferral shall be entitled to have his/her total real estate tax deferred until the taxpayer no longer qualifies for deferral.

8. Roll-back of deferral.

- (a) If a taxpayer who elects deferral of the tax under this ordinance ceases to qualify for deferral, such taxpayer shall pay to Madison County, Virginia, as a roll-back of such deferral, an amount equal to the sum of the deferral tax for the most recent past tax years, not to exceed five (5) past tax years. Such roll-back shall be paid prior to the time real estate tax payment is due for the year when a taxpayer ceases to qualify.
- (b) If a taxpayer who elects deferral of tax under this ordinance sells his/her residential real estate, such taxpayer shall pay to Madison County, Virginia, as a roll-back of such deferral, an amount equal to the sum of the deferred tax for the most recent past tax years, not to exceed five (5) past tax years. Such roll-back shall be paid at the time of sale.
- (c) If a taxpayer who elects deferral of tax under this ordinance dies and his/her residential real estate is not thereafter owned by a taxpayer who elects deferral of tax under this ordinance, the estate of such deceased taxpayer or the successor to title of such deceased taxpayer's residential real estate shall pay to Madison County, Virginia, as a roll-back of such deferral, an amount equal to the sum of the deferred tax for the most recent past tax years, not to exceed five (5) past tax years. Such roll-back shall be paid within one (1) year after the death of said taxpayer.
- (d) The amount of deferred real estate tax shall be a lien upon the real estate of a taxpayer who elects deferral of tax under this ordinance.

9. Effective date.

This ordinance shall be effective upon adoption, and shall apply to the tax year commencing on January 1, 2013.

On motion of Supervisor Lackey, seconded by Supervisor Weakley, adopted this 7th day of March, 2013.

  
J. Dave Allen, Chairman  
Madison County Board of Supervisors

	Aye	Nay	Abstain	Absent
J. Dave Allen	<u>  x  </u>	_____	_____	_____
Doris G. Lackey	<u>  x  </u>	_____	_____	_____
Jerry J. Butler	_____	<u>  x  </u>	_____	_____
Pete J. Elliott	_____	<u>  x  </u>	_____	_____
Jonathan Weakley	<u>  x  </u>	_____	_____	_____

Attest:



Ernest C. Hoch  
Madison County Administrator