

ORDINANCE 20220818

UPDATING CAPE CHARLES TOWN CODE CHAPTER 66, ARTICLE VII. REAL ESTATE TAX EXEMPTION FROM TAXATION FOR CERTAIN ELDERLY OR HANDICAPPED PERSONS, §§ 66-118, 66-119, AND 66-120

WHEREAS, the Town of Cape Charles currently provides assistance in the form of real property tax credits to qualified persons who are elderly or physically disabled; and

WHEREAS, the applicants must meet certain income and health status substantiations. Currently the combined income, if married, cannot exceed \$25,000; and

WHEREAS, Northampton County offers a similar program and on July 26, 2022, updated their ordinance increasing the maximum combined income for eligibility, the maximum tax credit, and re-opening the application period; and

WHEREAS, the Town generally follows suit with Northampton County with such tax matters; and

NOW, THEREFORE, BE IT ORDAINED by the Town Council of Cape Charles, this 18th day of August 2022, that Chapter 66, Article VII, Sections 66-118, 66-119 and 66-120 of the Cape Charles Town Code be revised as attached, to become effective upon adoption.

Adopted by the Town Council of Cape Charles on August 18, 2022.

By: _____
Mayor

ATTEST:

Town Clerk

Sec. 66-118. Eligibility for exemption.

Exemption shall be granted to persons subject to the following provisions:

- (1) The title to the property for which exemption is sought is held or partially held, on December 31, immediately preceding the taxable year by the person or persons seeking the exemption. If the ownership of the property for which application for exemption is made is not held solely by the applicant or jointly with the applicant's spouse, then the amount of the tax exemption hereunder, shall be in proportion to the applicant's ownership interest in the subject real property, as the ownership interest may appear.
- (2) The head of the household occupying the dwelling and owning title or partial title hereto is 65 years or older on December 31 of the year immediately preceding the taxable year. Such dwelling must be occupied as the sole dwelling of the person or persons seeking the exemption.
- (3) The total combined income of the owners during the year immediately preceding the taxable year shall be determined by the treasurer to be an amount not to exceed \$50,000. Total combined income shall include from all sources of the owners, spouses, and of the owners' relatives living in the dwelling for which exemption is claimed; provided, however, that the first \$6,000.00 of annual income of the owners' relatives living in the dwelling other than the spouses' shall be excluded in computing total combined income.
- (4) The net combined financial worth as of December 31 of the year immediately preceding the taxable year of the owners and of the spouse of any owner shall be determined by the treasurer to be an amount not to exceed \$100,000. Net combined financial worth shall include the value of all assets, including equitable interest of the owners and the spouse of any owner, excluding the fair market value of the dwelling and the land, not to exceed one acre, upon which it is situated and for which exemption is claimed.
- (5) The person or persons seeking the exemption must file annually with the treasurer an affidavit as hereinafter provided.

Sec. 66-119. Application for exemption.

Annually after January 1, and before April 15 of the taxable year, the person or persons claiming exemption shall file with the treasurer, on forms supplied by such treasurer, an affidavit setting forth the location and assessed value of the property, the names of all the related person occupying such real estate; the total combined income of the person as specified in section 66-118(3) above; and the net combined financial worth of the persons as specified in section 66-118(4) above. If such person is under 65 years of age, such form shall have attached thereto a confirmation by the social security administration, the veterans administration, 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 licensed to practice medicine in the commonwealth, to the effect that such person is permanently and totally disabled, as herein defined. The affidavit of at least one of such doctors shall be based upon a physical examination of such persons by said doctor. For Tax Year 2022, there shall be a second application window between August 19, 2022 and September 30, 2022 to be considered using the higher exemption levels adopted by the Town Council on August 18, 2022. Applications received during the first Tax Year 2022 window (January 1, 2022 – March 31, 2022), shall be considered using the most recently-adopted exemption levels.

The affidavit of one of the doctors may be based upon medical information contained in the records of the civil services commission which is relevant to the standards for determining permanent and total disability as herein defined. The treasurer shall also make such further inquiry of persons seeking

exemption requiring answers under oath, as may be reasonably necessary to determine qualification therefore, including qualifications as permanently and totally disabled. The treasurer is hereby authorized to require the reproduction of certified tax returns to establish the income or financial worth of any applicant for exemption from tax hereunder.

If, after audit and investigation, the treasurer determines that the person or persons are qualified for exemption he or she shall so certify the same and shall determine the percentage of exemption allowable and issue non-negotiable exemption certificates in the amount of the exemption determined to be applicable to the claimant's real estate tax liability.

Such exemption certificate shall apply only to the tax year for which issued. The person or persons to whom an exemption certificate has been issued shall, on or before the past due date established for payment of such real estate tax, present such exemption certificate to the treasurer or his or her duly authorized deputies or agents, together with payment of the difference between such exemption and the full amount of the tax payment then due on the property for which the exemption was issued. Any exemption certificate not presented in settlement of such taxes on or before the date specified for payment shall be null and void and unusable thereafter and the treasurer may not reissue a certificate for such tax year.

Sec. 66-120. Exemption schedule.

Where the person or persons seeking exemption conforms to the standards and does not exceed the limitation contained herein, the real estate tax exemption shall be as shown on the following schedule:

Total Combined Income from all Sources	Tax Exemption Net Worth (not to exceed \$100,000)
0-20,000	90%
20,001-30,000	80%
30,001-40,000	60%
40,001-50,000	40%

Provided, however, that the maximum annual exemption on any one property shall not exceed \$600.00.