

At a meeting of the Spotsylvania County Board of Supervisors held on \_\_\_\_\_, 20\_\_ on a motion by \_\_\_\_\_, seconded by \_\_\_\_\_ and passed \_\_\_\_\_, the Board adopts the following ordinance:

ORDINANCE NO. 21-82

To amend Spotsylvania County Code Chapter 21 – Taxation, Article III – Real Estate Taxes, to add a State Law reference and revise Division 5 – Real Estate Tax Exemption for Rehabilitated Structures, and to add a new Division 6 to Article III, Exemption for Surviving Spouses of Certain Emergency Services Providers Killed in the Line of Duty.

PUBLIC HEARING: \_\_\_\_\_

**WHEREAS**, staff has reviewed the code amendment and enactment and recommends approval as stated in the executive summary dated \_\_\_\_\_, 20\_\_; and

**WHEREAS**, the Spotsylvania Board of Supervisors held a public hearing, duly advertised in a local newspaper for a period of two weeks, on \_\_\_\_\_, 20\_\_, and interested citizens were offered an opportunity to be heard; and

**WHEREAS**, the general welfare is served by approval of the code amendment and enactment.

**NOW, THEREFORE, THE BOARD OF SUPERVISORS FOR THE COUNTY OF SPOTSYLVANIA HEREBY ORDAINS:**

§ 1. That Chapter 21, Article III, be and are hereby amended and re-ordained as follows:

ARTICLE III. - REAL ESTATE TAXES

State Law reference — Real property tax, Code of Virginia, § 58.1-3200 et seq.

DIVISION 5. - REAL ESTATE TAX EXEMPTION FOR REHABILITATED STRUCTURES.

Secs. 21-129—21-135. - Reserved.

(Ord. No. 21-82, \_\_\_\_\_)

§ 2. That Chapter 21, Article III, Division 6, be and is hereby enacted as follows:

DIVISION 6. EXEMPTION FOR SURVIVING SPOUSES OF CERTAIN EMERGENCY SERVICES PROVIDERS KILLED IN THE LINE OF DUTY.

Sec. 21-130. Title and Purpose.

This division shall be known as the “Exemption for Surviving Spouses of Certain Emergency Services Providers Killed in the Line of Duty”.

The purpose of this division is to provide an exemption from taxation for the qualifying real property of spouses of any law enforcement officer, firefighter, search and rescue personnel, or emergency medical services personnel who are killed in the line of duty.

Sec. 21-131. Definitions; Authority.

As used in this division, unless the context requires otherwise:

Covered person means any person set forth in the definition of “deceased person” in Section 9.1-400 of the Code of Virginia whose beneficiary, as defined in Section 9.1-400 of the Code of Virginia, is entitled to receive benefits under Section 9.1-402 of the Code of Virginia, as determined by the Comptroller prior to July 1, 2017, or as determined by the Virginia Retirement System on or about July 1, 2017.

This division is authorized by the Code of Virginia, Title 58.1, Chapter 32, Article 2.5, §§ 58.1-3219.13 through 58.1-3219.16.

Sec. 21-132. Exemption from taxes on property of surviving spouses of certain emergency services providers killed in the line of duty.

A. Pursuant to Article X, Section 6-B of the Constitution of Virginia, for tax years beginning on or after January 1, 2017, the County exempts from taxation the real property described in subsection (B) of the surviving spouse of any covered person who occupies the real property as his or her principal place of residence. If the covered person’s death occurred on or prior to January 1, 2017, and the surviving spouse has a principal residence on January 1, 2017, and are eligible for the exemption under this Section, then the exemption for the surviving spouse shall begin on January 1, 2017. If the covered person’s death occurs after January 1, 2017, and the surviving spouse has a principal residence eligible for the exemption under this Section on the date that such covered person dies, then the exemption for the surviving spouse shall be on the date that such covered person dies. If the surviving spouse acquires the property after January 1, 2017, then the exemption shall begin on the date of acquisition. The County shall not be liable for any interest on any refund due to the surviving spouse for taxes paid prior to the surviving spouse’s filing of the affidavit or written statement as required by Section 58.1-3219.15 of the Code of Virginia.

B. Those dwellings in the County with assessed values in the most recently ended tax year that are not in excess of the average assessed value for such year of a dwelling situated on property that is zoned as single-family residential shall qualify for a total exemption from real property taxes under this division. If the value of a dwelling is in excess of the average assessed value as described in this subsection,

then only that portion of the assessed value in excess of the average assessed value shall be subject to real property taxes, and the portion of the assessed value that is not in excess of the average assessed value shall be exempt from real property taxes. Single-family homes, condominiums, town homes, manufactured homes as defined in Section 46.2-100 of the Code of Virginia, whether or not the wheels and other equipment previously used for mobility have been removed, and other types of dwellings of surviving spouses, whether or not the land on which the single-family home, condominium, town home, manufactured home, or other type of dwelling of a surviving spouse is located is owned by someone other than the surviving spouse, that: (i) meet this requirement; and (ii) are occupied by such persons as their principal place of residence shall qualify for the real property tax exemption. If the land on which the single-family home, condominium, town home, manufactured home, or other type of dwelling is located is not owned by the surviving spouse, then the land is not exempt. For purposes of determining whether a dwelling, or a portion of its value, is exempt from County real property taxes, the average assessed value shall be such average for all dwellings located within the County that are situated on property zoned as single-family residential.

- C. The surviving spouse shall qualify for the exemption so long as the surviving spouse does not remarry and continues to occupy the real property as his/her principal place of residence. The exemption shall be allowed only on one principal place of residence occupied by the surviving spouse; however, this exemption shall not restrict the surviving spouse's ability to move from one principal place of residence to another, upon which the exemption shall henceforth apply to the newly established principal place of residence, subject to the limitations set forth in this division, and shall no longer apply to the previous principal place of residence.
- D. The County herein provides for the exemption from real property taxes of: (i) the qualifying dwelling, or that portion of the value of such dwelling and land that qualifies for the exemption pursuant to subsection (B); and, (ii) with the exception of land not owned by the surviving spouse, the land, not exceeding one acre, upon which it is situated. A real property improvement other than a dwelling, including the land upon which such improvement is situated, made to the property exempt pursuant to this Section, shall also be exempt from taxation so long as the principal use of the improvement is: (a) to house or cover motor vehicles or household goods and personal effects as classified in subdivision (A)(14) of Section 58.1-3503 of the Code of Virginia and as listed in Section 58.1-3504 of the Code of Virginia; and (b) for other than a business purpose.
- E. For purposes of this exemption, real property of any surviving spouse of a covered person includes real property: (i) held by a surviving spouse as a tenant for life; (ii) held in a revocable *inter vivos* trust over which the surviving spouse holds the power of revocation; or, (iii) held in an irrevocable trust under which the surviving spouse possesses a life estate or enjoys a continuing right of use or support. Such real property does not include any interest held under a leasehold or term of years.
- F. In the event that: (i) a surviving spouse is entitled to an exemption under this Section by virtue of holding the property in any of the three ways set forth in subsection (E); and, (ii) one or more other persons have an ownership interest in the

property that permits them to occupy the property, then the tax exemption for the property that otherwise would have been provided shall be prorated by multiplying the amount of the exemption by a fraction the numerator of which is one and the denominator of which equals the total number of people having an ownership interest that permits them to occupy the property.

In the event that the principal residence is jointly owned by two or more individuals including the surviving spouse, and no person is entitled to the exemption under this Section by virtue of holding the property in any of the three ways set forth in subsection (E), then the exemption shall be prorated by multiplying the amount of the exemption by a fraction the numerator of which is the percentage of ownership interest in the dwelling held by the surviving spouse and the denominator of which is 100.

Sec. 21-133. Application for exemption.

- A. The surviving spouse claiming the exemption under this division shall file with the Commissioner of the Revenue of the County on forms to be supplied by the County, an affidavit or written statement: (i) setting forth the surviving spouse's name; (ii) indicating any other joint owners of the real property; (iii) certifying that the real property is occupied as the surviving spouse's principal place of residence; and, (iv) including evidence of the determination of the Comptroller or the Virginia Retirement System pursuant to subsection (A). The surviving spouse shall also provide documentation that he/she is the surviving spouse of a covered person and of the date that the covered person died. The surviving spouse shall be required to refile the information required by this Section only if the surviving spouse's principal place of residence changes.
- B. The surviving spouse shall promptly notify the Commissioner of the Revenue of any remarriage.

Sec. 21-134. Absence from residence.

The fact that surviving spouses who are otherwise qualified for tax exemption pursuant to this division are residing in hospitals, nursing homes, convalescent homes, or other facilities for physical or mental care for extended periods of time shall not be construed to mean that the real estate for which tax exemption is sought does not continue to be the sole dwelling of such persons during such extended periods of other residence, so long as such real estate is not used by or leased to others for consideration.

Sec. 21-135. - Reserved.

(Ord. No. 21-82, \_\_\_\_\_)

§ 3. This ordinance shall be in force and effect upon adoption.