

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact § 58.1-3295 of the Code of Virginia, relating to assessment of affordable*
3 *rental housing.*

4 [S 1052]

5 Approved

6 **Be it enacted by the General Assembly of Virginia:**7 **1. That § 58.1-3295 of the Code of Virginia is amended and reenacted as follows:**

8 § 58.1-3295. Assessment of real property; affordable housing.

9 A. ~~It~~ *Notwithstanding any other provision of law, in determining the fair market value of real*
10 *property containing more than four residential units operated in whole or in part as affordable rental*
11 *housing, in accordance with the provisions of (i) 26 U.S.C. § 42, 26 U.S.C. § 142(d), 24 CFR § 983, 24*
12 *CFR § 236, 24 CFR § 241(f), 24 CFR § 221(d) (3), or any successors thereto; (ii) applicable state law;*
13 *or (iii) local ordinances adopted by the locality wherein such real property is located, the duly*
14 *authorized real estate assessor shall consider:*

15 1. The rent and the impact of applicable rent restrictions;

16 2. The operating expenses and expenditures and the impact of any such additional expenses or
17 expenditures; and

18 3. Restrictions on the transfer of title or other restraints on alienation of the real property.

19 *The owner of real property containing more than four residential units that is operated in whole or*
20 *in part as affordable rental housing in accordance with the definition of affordable rental housing*
21 *established by ordinance or resolution of the locality in which the real property is located may make an*
22 *application to the locality to have the real property assessed pursuant to this section. The application*
23 *shall be granted by the locality if (i) the owner charges rents at levels that meet the locality's definition*
24 *of affordable housing and (ii) the real property does not have any pending building code violations at*
25 *the time of the application.*

26 The duly authorized real estate assessor shall also consider evidence presented by the property owner
27 of other restrictions imposed by law that impact the variables set forth in this subsection.

28 B. Federal or state income tax credits with respect to affordable housing rental property within the
29 purview of subsection A shall not be considered real property or income attributable to real property.

30 C. For property where only a portion of the units are operated as affordable housing, as defined in
31 § 42 of the Internal Revenue Code or as required by state law or applicable local ordinance, only the
32 portion determined to be affordable housing shall be subject to this section.

ENROLLED

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