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HOUSE BILL NO. 2219

Offered January 11, 2017
Prefiled January 11, 2017

A BILL to amend the Code of Virginia by adding a section numbered 58.1-3219.1:01, relating to deferral of payment of a portion of real property taxes; Stafford County.

Patrons—Dudenhefer and Cole; Senator: Stuart

Referred to Committee on Finance

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding a section numbered 58.1-3219.1:01 as follows:

§ 58.1-3219.1:01. Deferral of payment of portion of real property taxes in Stafford County.

A. In addition to the deferral program pursuant to § 58.1-3219, Stafford County may adopt, by ordinance, a deferral program for real property taxes including the terms and conditions of the program, in such amount as the ordinance may prescribe, subject to the limitations and conditions of this section.

B. The deferral program pursuant to this section shall apply only to real property owned by and occupied as the sole dwelling of the taxpayer. To qualify, the real property's assessed value shall exceed the previous year's assessed value by at least five percent and this increase shall be the result of improvements made by Stafford County to real property that, together with any adjacent property owned by Stafford County, is adjacent to the taxpayer's real estate as determined by the commissioner of the revenue or other assessing official as provided in subsection C.

C. Whenever the commissioner of the revenue or other assessing official increases the assessed value of real property described in subsection B, he shall notify the taxpayer of the amount of taxes that is attributable to the improvements made by Stafford County as provided in subsection B, and notify him of his rights under the ordinance. If such amount of taxes is for a partial tax year, the commissioner of the revenue shall also notify the taxpayer of the amount of such taxes for a full year.

D. After receipt of the notice pursuant to subsection C, the taxpayer may elect to defer all or any portion of the amount of real property tax calculated pursuant to subsection C. The taxpayer may elect to defer the same amount of taxes in subsequent years.

E. The deferred amount shall be subject to interest computed at a rate established by the governing body, not to exceed the rate established pursuant to § 6621 of the Internal Revenue Code. The accumulated amount of taxes deferred and interest shall be paid to the county, city, or town by the owner upon the sale or transfer of the property, or from the estate of the decedent within one year after the death of the owner. If the real property is owned jointly and all such owners applied and qualified for the deferral program established by ordinance, the death of one of the joint owners shall not disqualify the survivor or survivors from participating in the deferral program. All accumulated deferred taxes and interest shall be paid within one year of the date of death of the last qualifying owner. The accumulated amount of tax deferred and interest shall constitute a lien upon the real property.

C. All other sections of this article shall apply mutatis mutandis, unless the provisions of such sections are inapplicable.

2. That the provisions of this act do not apply to any real property whose eligibility for deferral of taxes occurred prior to January 1, 2016.

3. Any real property that was eligible for the deferral of taxes under this act on January 1, 2016, shall be eligible for deferral of taxes accruing in 2016. For real estate covered under this enactment, Stafford County shall, if it enacts an ordinance pursuant to this act, refund any portion of taxes paid, as applicable.

INTRODUCED

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