

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact § 58.1-3211 of the Code of Virginia, relating to property tax exemptions*
 3 *for the elderly and handicapped.*

4 [H 2136]

5 Approved

6 **Be it enacted by the General Assembly of Virginia:**7 **1. That § 58.1-3211 of the Code of Virginia is amended and reenacted as follows:**

8 § 58.1-3211. Restrictions and exemptions.

9 Any exemption or deferral program enacted by a county, city or town pursuant to § 58.1-3210 shall
 10 be subject to the following restrictions and conditions:

11 1. a. Subject to subdivision 1 b of this section, the total combined income received from all sources
 12 during the preceding calendar year by (i) owners of the dwelling who use it as their principal residence
 13 and (ii) owners' relatives who live in the dwelling, shall not exceed the greater of \$30,000, or the
 14 income limits based upon family size for the respective metropolitan statistical area, annually published
 15 by the Department of Housing and Urban Development for qualifying for federal housing assistance
 16 pursuant to § 235 of the National Housing Act (12 U.S.C. § 1715z). Any amount up to \$6,500 of
 17 income of each relative who is not the spouse of an owner living in the dwelling and who does not
 18 qualify for the exemption provided by subdivision 1 b hereof may be excluded from the total combined
 19 income calculation. The local government may also exclude up to \$7,500 of income for an owner who
 20 is permanently disabled.

21 b. Notwithstanding subdivision 1 a of this section, if a person qualifies for an exemption or deferral
 22 under this article, and if the person can prove by clear and convincing evidence that the person's
 23 physical or mental health has deteriorated to the point that the only alternative to permanently residing
 24 in a hospital, nursing home, convalescent home or other facility for physical or mental care is to have a
 25 relative move in and provide care for the person, and if a relative does then move in for that purpose,
 26 then none of the income of the relative or of the relative's spouse shall be counted towards the income
 27 limit, provided the owner of the residence has not transferred assets in excess of \$5,000 without
 28 adequate consideration within a three-year period prior to or after the relative moves into such residence.

29 2. The net combined financial worth, including the present value of all equitable interests, as of
 30 December 31 of the immediately preceding calendar year, of the owners, and of the spouse of any
 31 owner, excluding the value of the dwelling and the land, not exceeding one acre, upon which it is
 32 situated shall not exceed \$100,000. The local government may also exclude furnishings. Such
 33 furnishings shall include furniture, household appliances and other items typically used in a home.

34 3. Notwithstanding the provisions of subdivisions 1 and 2, in any county, city or town having a 1980
 35 population of more than 500,000; any county, city or town adjacent thereto; the Cities of Manassas,
 36 Manassas Park, Chesapeake, Portsmouth, Suffolk, and Virginia Beach; the Counties of Chesterfield,
 37 Fauquier, Henrico, and Stafford; and the ~~Town~~ Towns of Leesburg and Lovettsville, the board of
 38 supervisors or council may, by ordinance, raise the income and financial worth limitations for any
 39 exemption or deferral program to a maximum of the greater of \$52,000 or the income limits based upon
 40 family size for the respective metropolitan statistical area, annually published by the Department of
 41 Housing and Urban Development for qualifying for federal housing assistance pursuant to § 235 of the
 42 National Housing Act (12 U.S.C. § 1715z), for the total combined income amount, and \$195,000 for the
 43 maximum net combined financial worth amount which shall exclude the value of the dwelling and the
 44 land, not exceeding one acre, upon which it is situated. Any amount up to \$6,500 of income of each
 45 relative who is not the spouse of an owner living in the dwelling may be excluded under this
 46 subdivision.

47 4. For purposes of this article, income shall mean total gross income from all sources, without regard
 48 to whether a tax return is actually filed. Income shall not include life insurance benefits or receipts from
 49 borrowing or other debt.