

INTRODUCED: September 14, 2020

AN ORDINANCE No. 2020-188

To amend Ord. No. 2020-092, adopted Apr. 13, 2020, which extended the deadline for filing an application or certification by real estate taxpayers claiming an exemption or freeze under City Code §§ 26-364 or 26-365 for the taxable year 2020 only from Mar. 31, 2020, to Apr. 30, 2020, by further extending the deadline from Apr. 30, 2020 to Oct. 30, 2020.

Patrons – Mayor Stoney, Ms. Lynch, Ms. Robertson, Ms. Larson, Ms. Trammell,  
President Newbille, Vice President Hilbert and Mr. Jones

Approved as to form and legality  
by the City Attorney

PUBLIC HEARING: SEP 28 2020 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

I. That Ordinance No. 2020-092, adopted April 13, 2020, be and is hereby amended and reordained as follows:

§ 1. That, notwithstanding any provision of sections 26-364 or 26-365 of the Code of the City of Richmond (2015), as amended, to the contrary, for the taxable year 2020 only, a person claiming an exemption or freeze must file in writing an application therefor, or, if applicable, the annual certification that no information contained on the last preceding application filed has so changed so as to violate the limitations and

AYES: 8 NOES: 0 ABSTAIN:

ADOPTED: SEP 28 2020 REJECTED: STRICKEN:

provided therein, with the Director of Finance not later than [~~April 30, 2020~~] October 30, 2020, instead of not later than March 31, 2020.

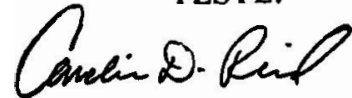
§ 2. That, notwithstanding any provision of sections 26-364 or 26-365 of the Code of the City of Richmond (2015), as amended, to the contrary, for the taxable year 2020 only, the tax exemption or freeze for any person filing, by no later than October 30, 2020, pursuant to section 1 of this ordinance, an application, or, if applicable, the annual certification that no information contained on the last preceding application filed has so changed so as to violate the limitations and conditions provided therein, shall not be voided for any failure to remit on or before January 14, 2020, or on or before June 14, 2020, as applicable, a payment for the full amount of the taxes levied or a payment for the difference between the full amount of the taxes levied and the amount of an exemption or freeze; provided, however, that any applicable penalties and interest for any such failure shall be imposed and collected in accordance with applicable law.

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

II. This amendatory ordinance shall be in force and effect upon adoption.

**A TRUE COPY:**

**TESTE:**



**City Clerk**



# CITY OF RICHMOND

## INTRACITY CORRESPONDENCE

### O&R REQUEST

**DATE:** August 27, 2020 **EDITION:** 1

**TO:** The Honorable Members of City Council

**THROUGH:** The Honorable Levar M. Stoney, Mayor *L.M.S.*

**THROUGH:** Lenora G. Reid, Acting Chief Administrative Officer *lgr*

**THROUGH:** Jay A. Brown, Director of Budget and Strategic Planning *JAB*

**FROM:** John B. Wack, Director of Finance *JBW*

**RE:** To Further Extend the Application and Certification Deadline for the City's Tax Relief for Qualified Permanently and Totally Disabled and Elderly Persons

**ORD. OR RES. No.** \_\_\_\_\_

**PURPOSE:** To further extend the deadline for filing in writing an application or certification for real estate tax exemption or freeze from April 30 to October 30 for the taxable year 2020, notwithstanding the provisions of sections 26-364 and 26-365 of the Richmond City Code.

**REASON:** On March 12, 2020, Governor Ralph Northam declared a state of emergency in the Commonwealth of Virginia in response to the continued spread of novel coronavirus, or COVID-19. The Center for Disease Control has stated that older adults and people with chronic illness may be more likely to become severely ill from COVID-19. A further extension on the deadline for filing in writing an application or certification for real estate tax exemption may assist in relieving the burdens caused by this virus on the vulnerable persons qualified to receive this exemption or freeze.

**RECOMMENDATION:** The City Administration recommends adoption.

**BACKGROUND:** Sections 26-364 and 26-365 currently require a person claiming an exemption or freeze under those sections to file in writing an application with the Director of Finance not later than March 31 of the taxable year. In lieu of filing an annual application, not later than March 31 of the taxable year, a person that has previously qualified for an exemption or freeze under sections 26-364 or 26-365 may file an annual certification that no information contained on the last preceding application filed has so changed as to violate the limitations and conditions provided therein.

The application deadline for Tax Year 2020 purposes was extended from March 31 to April 30 through the adoption of Ordinance 2020-092 on April 13, 2020. The impact of the COVID-19 pandemic has continued into the summer months, and the Finance Department had to rescind an unprecedented number of 2020 Tax Relief for the Elderly and Disabled applications due to incomplete information, or no submission at all from some previous participants. As a result, approximately \$2.8 million in Tax Relief was granted prior to the closeout of FY2020, much less than the \$3.95 million amended budget.

In order to provide additional flexibility for some of our most vulnerable taxpayers, the City Administration recommends further extending the Tax Year 2020 deadline to October 30, 2020. This would give Finance staff the ability to reconsider previously incomplete applications and recertifications, and potentially reinstate 2020 relief. These reviews also should be completed before the Tax Year 2021 real estate tax billing occurs in November.

Due to the timing of this potential change, 2020 Tax Relief granted in late September and October would need to be attributed to the current fiscal year, FY2021. Given that the FY2021 Adopted budget for Tax Relief for the Elderly and Disabled is set at \$4,266,000, staff believes this could be accommodated without an amendment to the FY2021 budget.

**FISCAL IMPACT / COST:** Additional Tax Relief would be granted in FY2021 if tax exemptions are granted due to the extension of the deadline.

**FISCAL IMPLICATIONS:** More Tax Relief would be granted, but staff expects this increase can be accommodated within the FY2021 budget for this program.

**BUDGET AMENDMENT NECESSARY:** No

**REVENUE TO CITY:** None

**DESIRED EFFECTIVE DATE:** Upon adoption

**REQUESTED INTRODUCTION DATE:** September 14, 2020

**CITY COUNCIL PUBLIC HEARING DATE:** September 28, 2020

**REQUESTED AGENDA:** Consent

**RECOMMENDED COUNCIL COMMITTEE:** Waiver requested under Rule VI(B)(2)

**CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES:** None

**AFFECTED AGENCIES:** Department of Finance

**RELATIONSHIP TO EXISTING ORD. OR RES.:** City Code section 26-364, 26-365, and Ordinance 2020-092

**REQUIRED CHANGES TO WORK PROGRAM(S):** Additional work would be performed by Revenue Administration staff in Finance

**ATTACHMENTS:** None

**STAFF:** John Wack, Director of Finance 646-5776  
Valerie Weatherless, Operations Manager 646-5195