Tax Relief Program Performance

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DEPARTMENT OF
FINANCE

AGENDA

There are 5 principal tax relief programs at the City of Richmond:

- Gap Grant Program
- Older Adults and Persons with Disabilities (OAPD)
- Real Estate Exemption Programs
- Personal Property Tax Relief Programs
- Tax Amnesty Program

Conclusion Q&A

GAP GRANT PROGRAM

Code: City Code § 16-3

Established: January 1, 2025

Description: One-time $1,200 income-based grant.

FY26 Budget: $3.9M allocation

- **Eligibility Criteria:**
  - Must earn <80% of MSA
  - Must prove rent/mortgage burden, >30% of household income.
- **Implementation Challenges**
- **Next Steps**
  - Hired 3 part time staffers
  - Assessing current application backlog
  - Report results to Council in 60 days

Gap Grant Program Statistics (as of 9/26/2025)

	Homeowners	Renters	Total
Unprocessed	N/A	N/A	N/A
Ready to Transmit to DSS	16	176	192
On Hold - Docs Requested	0	26	26
Closed 311	N/A	N/A	1100
Applications Disbursed FY 2025	4	10	14
Applications Disbursed FY 2026	0	3	3
Applications Approved Not Distributed	0	5	5
Applications Denied	0	12	12
Total Gap Grant Applications			2337
Dollars Disbursed FYE 2025	$4,800.00	$12,000.00	$16,800.00
Dollars Disbursed FYE 2026	$0.00	$3,600.00	$3,600.00
Total to Date	$4,800.00	$15,600.00	$20,400.00
Remaining Apps City Can Fund			3228
Remaining Dollars Available			**$3,873,600.00**

OLDER ADULTS AND PERSONS WITH DISABILITIES PROGRAM (OAPD)

Code: City Code §§ 26-364, 26-365

Established: Updated Nov. 2024

Description: Exemption (25–100%) or Freeze at prior year's assessment. Provides relief for qualifying older adults and persons with disabilities.

FY26 Budget: $5,750,000

- **Eligibility Threshold – Exemption:**
  - 65+ or permanently and totally disabled
  - Gross income <$70,000
  - Financial worth <$450,000
- **Eligibility Threshold – Freeze**
  - 65+ or permanently and totally disabled
  - Gross income <$125,000
  - Financial worth <$750,000

OAPD Real Estate Tax Relief Program Statistics (FY2021-2025)

	2021	2022	2023	2024	2025
Adopted Budget (FY)	$4,266,000	$4,041,755	$4,561,518	$5,084,000	$5,750,000
Actual (FY)	$3,475,967	$3,972,403	$4,741,175	$5,219,658	$5,026,125
Total Applicants	2,337	2,519	2,599	2,700	2,603
% Applicants Approved	80.36%	82.61%	82.95%	88.52%	88.09%
Participants (CY)	1,878	2,081	2,156	2,390	2,293
25% Relief	92	142	154	231	243
50% Relief	194	255	267	289	293
75% Relief	318	394	447	489	460
100% Relief	1,274	1,290	1,288	1,381	1,296
Tax Freeze	-	-	-	-	1*
Actual (CY) Tax Relief Cost	$3,180,325	$3,970,698	$4,722,951	$5,294,175	$5,264,188
Average Annual Relief (CY)	$ 1,693	$ 1,908	$ 2,191	$ 2,215	$ 2,296
Average Annual Assessed Value (CY)	$ 165,248	$ 193,204	$ 222,614	$ 231,593	$ 247,354

2025 Note: As the current year, audited actuals are unavailable and all CY information represents a snapshot as of 9/26/2025. The Department of Finance will be accepting applications for CY 2025 through 12/31/2025

*The tax freeze option was available in prior years; however, the income and net worth qualifications were identical to the tax relief limits so there were no applicants. In 2025, Council raised the income and net worth limits above the tax relief thresholds, making the freeze an option for those who do not qualify for relief. To date, 14 applications have been received, and more are expected if applicants are denied traditional tax relief.

REAL ESTATE EXEMPTION PROGRAMS

Code: Richmond Code §§ 26-366, 26-367, Divisions 3, 4, 10, 11

Description: Partial/full exemptions for veterans, surviving spouses, and rehabilitated/redeveloped structures.

Eligibility Criteria: Under City and State Code, certain real estate parcels are exempt from taxation such as parcels owned by governmental, religious, or charitable entities.

- **Total Parcels:** 76,106
- **Exempted Parcels:** 4061
- **Percent of Total:** 5.6%
- **Percent of Total Value:** 27.6%

EXEMPT PARCELS

Exempt	Count	Land	Imp	Total
100	515	$322,705,000	$673,918,000	$996,623,000
102	18	$6,446,000	$36,149,000	$42,595,000
105	64	$125,462,000	$397,161,000	$522,623,000
106	367	$288,081,000	$47,033,000	$335,114,000
150	378	$103,189,000	$236,625,000	$339,814,000
152	14	$29,771,000	$122,513,000	$152,284,000
156	4	$2,502,000	$18,405,000	$20,907,000
200	21	$138,910,000	$756,029,000	$894,939,000
201	1	$7,707,000	$869,000	$8,576,000
202	10	$45,457,000	$200,394,000	$245,851,000
209	365	$520,733,000	$3,064,178,000	$3,584,911,000
220	46	$75,960,000	$1,756,000	$77,716,000
221	10	$6,356,000	$0	$6,356,000
300	3	$624,000	$569,000	$1,193,000
350	17	$28,680,000	$447,978,000	$476,658,000
400	606	$172,451,000	$414,389,000	$586,840,000
401	15	$1,770,000	$4,025,000	$5,795,000
405	11	$23,883,000	$44,412,000	$68,295,000
406	18	$2,051,000	$2,731,000	$4,782,000
450	25	$56,204,000	$1,595,000	$57,799,000
500	181	$164,018,000	$702,523,000	$866,541,000
510	29	$9,132,000	$15,313,000	$24,445,000
600	138	$68,314,000	$222,220,000	$290,534,000
601	24	$37,895,000	$139,629,000	$177,524,000
605	44	$10,226,000	$21,420,000	$31,646,000
620	306	$180,287,000	$956,033,000	$1,136,320,000
630	77	$5,963,000	$12,805,000	$18,768,000
698	5	$630,000	$1,057,000	$1,687,000
699	422	$4,951,000	$1,766,000	$6,717,000
711	286	$23,704,000	$67,704,000	$91,408,000
Total	**4020**	**$2,464,062,000**	**$8,611,199,000**	**$11,075,261,000**

*Source: 2025 Land Book

PERSONAL PROPERTY TAX RELIEF ACT

Code: Virginia Code § 58.1-3523 et seq. (2005 Acts of Assembly, Ch. 951)

Established: Adopted in 2006.

Description: Relief for qualifying vehicles, rate set annually by State.

FY26 State Credit: $16,708,749

Eligibility Criteria:

- The vehicle must be a passenger car, motorcycle, or pickup/panel truck with a registered gross weight of 10,000 pounds or less.
- The vehicle must be used 50% or less for business purposes. If a vehicle is used primarily for business, it does not qualify for relief.
- The vehicle must be certified annually to confirm its eligibility for tax relief.

  - **Total Vehicles:** 240,860 (Approx)
  - **Exempted Vehicles (100% Exemption):** 9,760*
  - **Exempted Vehicles as Percent of Total:** 4%
  - **Percent of Billed Value:** 24%

*Full Tax Relief: Vehicles assessed at $1,000 or less are exempt from personal property taxes, meaning no tax is due for those vehicles.

TAX AMNESTY PROGRAM

Code: Authorized under State law.

Description: Temporary penalty/interest waiver for delinquent taxpayers who pay in full.

- No program administered in FY25.

Questions?