

# **AN ORDINANCE TO PROVIDE FOR THE DEFERRAL OF REAL ESTATE TAX IN MIDDLESEX COUNTY, VIRGINIA**

BE IT ORDAINED by the Board of Supervisors of Middlesex County, Virginia, pursuant to 58.1-3219 of the Code of Virginia of 1950 and 1984, amended as follows:

## **ARTICLE 1: GENERAL PROVISIONS**

**1-1** This ordinance shall be known and may be cited as the Middlesex County Real Estate Tax Deferral Ordinance.

## **ARTICLE 2: TAX DEFERRED**

**2-1** Any portion of the real estate tax which represents more than 105 percent of the base amount, as defined herein, owned by and occupied as the sole dwelling of a person or persons not less than fifty five (55) years of age who owned the property during the previous year may be deferred.

## **ARTICLE 3: DEFINITIONS**

**BASE AMOUNT OF NON-DEFERRABLE TAX:** The amount of the real estate tax for the first full year of ownership after the adoption of the program multiplied by 105 percent

**COUNTY:** Middlesex County, Virginia

**COMMISSIONER OF THE REVENUE:** The Commissioner of the Revenue of Middlesex County, Virginia, or his duly authorized deputies or agent.

**DEFERRAL:** The amount of the tax over 105% of the real estate tax on that same property owned by the taxpayer in the previous year.

**DWELLING:** The full time residence of the owner/owners of the real estate and manufactured homes, as defined in §36-85.3, claiming deferral of real estate tax.

**PROPERTY:** Real estate, including any dwelling there on.

**TAXABLE YEAR:** The calendar year, from January 1 until December 31, for which exemption is claimed.

## **ARTICLE 4: QUALIFICATION FOR DEFERRAL**

**4-1** The deferral program applies to all owners of real estate, at least fifty five (55) years of age, who owned that same real estate, for which deferral is being claimed, in the previous year and in addition, the tax on the real estate, for which deferral is being claimed, must have increased more than 105% since the previous year with no change having taken place to increase the value of said real estate.

## **ARTICLE 5: CONDITIONS OF DEFERRAL**

**5-1** The deferred amount may include any or all tax which is greater than 105% of the tax in the previous year.

**5-2** The deferred amount shall be subject to interest computed at the rate established pursuant to §6621 of the Internal Revenue Code.

**5-3** The accumulated amount of taxes deferred and interest shall be paid to Middlesex County 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.

**5-4** If the real estate is owned jointly and all such owners applied and qualified for the deferral program, the death of one of the joint owners shall not disqualify the survivor or survivors from participating in the deferral program. The accumulated deferred taxes and interest shall be paid within one year of the date of death of the last qualifying owner.

**5-5** The accumulated amount of tax deferred and interest shall constitute a lien upon the real estate.

## **ARTICLE 6: COMPUTATION OF DEFERRED AMOUNT**

**6-1** The amount of the real estate tax deferred shall be calculated by subtracting from the real estate tax for the current tax year the “base amount of non-deferrable tax”. The base amount of non-deferrable tax for each tax year shall equal the real estate tax in the first full tax year of ownership by such taxpayer after the adoption of the program, multiplied by 105 percent.

## **ARTICLE 7: LIMITATIONS**

**7-1** The deferral program shall not apply to the following:

1. Real estate which participates in the Tax Relief Program for the Elderly or Totally Disabled, pursuant to §58.1-32.10, et. seq. of the Code of Virginia;
2. Persons who are delinquent on any portion of real estate taxes for which deferral is sought;
3. Real estate assessed in accordance with the Land Use Program, “adopted pursuant to §58.1-3230 of the Code of Virginia.

## **ARTICLE 8: APPLICATION FOR DEFERRAL**

**8-1** Application must be written and must be made to the commissioner of the revenue or his deputy on or before April 1 each year, however; in the year of general reassessment, application can be made until 30 days following the date that the reassessment notice is mailed. Also, application must be made by the landowner qualifying for the deferral, must include the percent of the deferrable tax that is requested and must be signed by the person qualifying for the deferral.

The effective date of this ordinance will be January 1, 2008.

Voting in Favor: Mr. Miller, Mr. Crump, Mr. Williams, Mr. Jessie, Mr. Crittenden

Voting Opposed: None

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### CERTIFICATION

I, Charles M. Culley, Jr., Clerk of the Board of Supervisors of the County of Middlesex, Virginia, certify under my hand and seal of Middlesex County, Virginia, that the foregoing is a true and correct copy of an ordinance passed at a lawfully organized meeting of the Board of Supervisors of Middlesex County held at Saluda, Virginia, at 7:30 P.M., on December 18, 2007.

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Clerk