

ORDINANCE NO. 7561-19

AN ORDINANCE TO AMEND AND REORDAIN CHAPTER 40, TAXATION, OF THE CODE OF THE CITY OF NEWPORT NEWS, VIRGINIA, ARTICLE I., GENERAL PROVISIONS AND EXEMPTIONS, DIVISION 2., EXEMPTIONS GENERALLY, SECTION 40-7.06, EXEMPTION FOR DISABLED VETERANS AND SECTION 40-7.07, EXEMPTION FOR SURVIVING SPOUSES OF MEMBERS OF THE ARMED FORCES KILLED IN ACTION.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Newport News, Virginia:

1. That Chapter 40, Taxation, of the Code of the City of Newport News, Virginia, Article I., General Provisions and Exemptions, Division 2., Exemptions Generally, Section 40-7.06, Exemption for disabled veterans, and Section 40-7.07, Exemption for surviving spouses of members of the armed forces killed in action, be, and the same hereby is, amended and reordained,, as follows:

CHAPTER 40

TAXATION

ARTICLE I. GENERAL PROVISIONS AND EXEMPTIONS

DIVISION 2. EXEMPTIONS GENERALLY

Sec. 40-7.06. Exemption for disabled veterans.

(a) Pursuant to Section 6-A of Article X of the Constitution of Virginia, there is hereby exempted from taxation the real property, including the joint real property of husband and wife, of any veteran who has been rated by the United States Department of Veterans Affairs, or its successor agency, pursuant to federal law, to have a one hundred percent (100%) service-connected, permanent, and total disability, and who occupies the real property as his principal place of residence. The land area to be exempted as part of the principal place of residence shall not exceed one acre.

(b) The surviving spouse of a veteran eligible for the exemption set forth in this section shall also qualify for the exemption, so long as the death of the veteran occurred on or after January 1, 2011, and the surviving spouse does not remarry. The exemption applies without any restriction on the spouse's moving to a different principal place of residence.

(c) The veteran, or surviving spouse, claiming the exemption under this section shall file with the commissioner of the revenue on forms to be supplied by the city, an affidavit or written statement (i) setting forth the name of the disabled veteran, and the name of the spouse, if any, also occupying the real property, (ii) indicating whether the property is jointly owned by a husband and wife, (iii) certifying that the real property is occupied as the veteran's, or surviving spouse's, principal place of residence and (iv) documentation from the United States Department of Veterans Affairs, or its successor agency, indicating that the veteran has a one hundred percent (100%) service-connected, permanent, and total disability. The taxable status of real property is determined on the first day of the tax year, i.e. July 1 of each year, and the exemption hereby granted shall be prospective only. However, the veteran, or the surviving spouse, shall be required to re-file the information mandated by this subsection only if the principal place of residence changes. In the event a surviving spouse of a veteran claims the exemption, the surviving spouse shall also provide documentation satisfactory to the commissioner of the revenue that the veteran's death occurred on or after January 1, 2011.

Sec. 40-7.07. Exemption for surviving spouses of members of the armed forces killed in action.

(a) Pursuant to subdivision (b) of Section 6-A of Article X of the Constitution of Virginia, and effective with the tax year of July 1, 2015 and thereafter, there is hereby exempted from taxation the qualified dwelling and the land upon which it is situated, not to exceed one acre, of the surviving spouse (i) of any member of the armed forces of the United States who was killed in action as determined by the United States Department of Defense and (ii) who occupies the real property as his principal place of residence.

(b) Only those dwellings within the city with assessed values in the most recently ended tax year that are not in excess of the average assessed value for such year of a dwelling situated on property that is zoned as single family residential shall qualify for the exemption under this article. Single family homes, condominiums, town homes, and other types of dwellings of surviving spouses that (i) meet this requirement and (ii) are occupied by such persons as their principal place of residence shall qualify for the real property tax exemption.

For purposes of determining whether a dwelling is exempt from property taxes, the average assessed value shall be such average for all dwellings located within the city that are situated on property zoned as single family residential.

(c) The surviving spouse of a member of the armed forces killed in action shall qualify for the exemption so long as the surviving spouse does not remarry. The exemption applies without any restriction on the spouse's moving to a different principal place of residence.

(d) For the purposes of this exemption, real property of any surviving spouse of a member of the armed forces killed in action includes real property (i) held by a surviving spouse as a tenant

for life, (ii) held in a revocable *inter vivos* trust over which the surviving spouse holds the power of revocation, or (iii) held in a irrevocable trust under which the surviving spouse possesses a life estate or enjoys a continuing right of use or support. The term does not include any interest held under a leasehold or term of years.

(e) In the event that (i) a surviving spouse is entitled to an exemption under this section by virtue of holding the property in any of the three ways set forth in subsection (d), and (ii) one or more other persons have an ownership interest in the property that permits them to occupy the property, then the tax exemption for the property that otherwise would have been provided shall be prorated by multiplying the amount of the exemption by a fraction that has a numerator the number of surviving spouses who are qualified for the exemption pursuant to this section and has a denominator the total number of people having an ownership interest that permits them to occupy the property.

In the event that the principal residence is jointly owned by two or more individuals, not all of whom qualify for the exemption, and no person is entitled to the exemption under this section by virtue of holding the property in any of the three ways set forth in subsection (d) then the exemption shall be prorated by multiplying the amount of the exemption by a fraction that has a numerator the percentage of ownership interest in the dwelling held by all such joint owners who qualify for the exemption, and as a denominator, 100 percent.

(f) The surviving spouse claiming the exemption under this section shall file with the commissioner of the revenue, or such other designated officer, on forms to be supplied by the city, an affidavit or written statement (i) setting forth the surviving spouse's name, (ii) indicating any other joint owners of the real property, and (iii) certifying that the real property is occupied as the surviving spouse's principal place of residence. The surviving spouse shall also provide documentation from the United States Department of Defense or its successor agency indicating the date that the member of the armed forces of the United States was killed in action.

The surviving spouse shall be required to refile the information required by this section only if the surviving spouse's principal place of residence changes, and shall promptly notify the commissioner of the revenue of any remarriage.

2. That this ordinance shall be in effect on and after July 1, 2019.

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PASSED BY THE COUNCIL OF THE CITY OF NEWPORT NEWS ON JUNE 25, 2019

Mabel Washington Jenkins, MMC
City Clerk

McKinley L. Price, DDS
Mayor

A true copy, teste:

City Clerk