

Commissioner of the Revenue

CITY OF NEWPORT NEWS

REAL ESTATE TAX EXEMPTION FOR THE ELDERLY

Fiscal Year July 1, 2021 – June 30, 2022

General Information and Instructions

The City of Newport News offers real estate tax exemption for elderly homeowners who meet the eligibility requirements. In order to qualify the applicant:

- Must file an application for tax exemption every year no later than August 31st. Any application filed after August 31st will not be processed, with the exception of certain hardship situations. The current filing for 2021 impacts the fiscal year beginning July 1, 2021 and ending June 30, 2022; therefore, if you qualify for exemption, it will apply to real estate tax bills due on December 5, 2021 and June 5, 2022.
- Must be a qualifying owner who is at least 65 years of age by December 31, 2020. The applicant must own the home as of July 1, 2020, with their name on the deed and must reside in the home unless he/she resides in a hospital, nursing home, convalescent home or other facility for physical or mental care. Applicants who reside in one of the listed facilities shall provide proof of residency and shall not use or lease their home to ensure qualification for real estate tax relief. All owners listed on the deed must reside in the dwelling, and meet the age requirement.
- Cannot exceed \$25,000 in total household income for the applicant, spouse, all relatives and non-relatives who live in the residence. When completing the application, income shall mean total gross income from all sources, without regard to whether a tax return is filed. The applicant must report all income, taxable and non-taxable, received from all sources during calendar year 2020 by the applicant, spouse, and all relatives and non-relatives who live in the dwelling. **Bona-fide caregivers** must meet other requirements. Income shall not include life insurance benefits or receipts from borrowing or other debt. Income examples may include:

Federal income tax return (if required to file)

Wages – W-2 statement(s)

Self-Employment Income – Schedule C from federal income tax return

Unemployment Compensation – 1099-G

Social Security (SSA/SSI) – SSA-1099 (Box 5)

Railroad Retirement – annual benefits statement

Non-taxable Veteran's Benefits – VA documentation

Military Pensions – 1099-R

Other Pensions – 1099-R

Annuity & IRA Disbursements – 1099-R

Interest and Dividends – 1099-INT or 1099-DIV

Rental Income – dated receipts

Capital Gains – 1099-B

Gifts/Lottery/Gambling – 1099-MISC

Royalties

Government Assistance

Support payments – court decree

Verification of income of relatives and non-relatives who live in the home

- Cannot exceed \$10,000 in combined assets for the applicant and spouse, excluding the residence and up to one acre of land. All real estate owned by the applicant or spouse other than the principal residence must be listed as an asset, including property located in Newport News, other localities or other states. The address of the property is required. Value of the property can be determined by

using the real estate property assessment from the locality where the property is located. Asset examples may include:

- a. Checking accounts – bank statements must include the balances on December 31, 2020
 - b. Savings accounts – bank statements must include the balances on December 31, 2020
 - c. Stocks, bonds, CDs, money market certificates, IRAs, and similar asset accounts showing the balances on December 31, 2020
 - d. Cash value of life insurance policies (not the face value of the policies) on December 31, 2020
- Must demonstrate via paid receipts that housing costs equal or exceed 40% of the total combined household income for the calendar year 2020. Housing costs include utilities, home related insurances, mortgage payments for other than reverse mortgages, home alarm systems, landscaping, landline phone, cable TV, tree removal, real estate taxes or similar disbursements related to residing in the home. Only those expenses incurred and paid from January 1, 2020 through December 31, 2020 are allowed. Paid receipts, payment histories, and cancelled checks are acceptable supporting documentation for housing costs. **Housing costs do not include food, medical, cell phone, internet or transportation related costs.**

Applications shall include the following when applicable:

- If the spouse is deceased, write “deceased” and the year of death in the space provided.
- If more than three relatives or non-relatives reside in the home, provide those names and other identifying information required on a separate sheet of paper.
- Exact amounts of income, assets and housing costs must be reported. Approximate or estimated amounts are not acceptable.

Please contact the Office of the Commissioner of the Revenue by calling (757) 926-3535 if additional application assistance is needed.

SOLID WASTE FEE RELIEF PROGRAM

Your application for Real Estate Tax Exemption will also be used to determine your eligibility for the Solid Waste Fee Relief Program. If you do not qualify for Real Estate Tax Exemption, you will need to apply for the Solid Waste Fee Relief separately. The Real Estate Tax Exemption Program and the Solid Waste Fee Relief Program have different income eligibility guidelines. Therefore, you may be eligible for Real Estate Tax Exemption and ineligible for Solid Waste Fee Relief or vice versa.