



**CITY OF HARRISONBURG**  
**COMMISSIONER OF THE**  
**REVENUE**

KAREN I. ROSE, MCR  
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409 SOUTH MAIN STREET, HARRISONBURG, VA 22801

OFFICE (540) 432-7704 • FAX (540) 432-7781

TO: Eric Campbell, City Manager  
FROM: Karen I. Rose, Commissioner of the Revenue  
DATE: December 17, 2019  
RE: Changes in the requirements for applicants for the Real Estate and Personal Property Tax Relief for the Elderly and Permanently Disabled

**Summary:** Consider amending and re-enacting Section 4-2-124 and Section 4-2-125 to increase the income level requirement for personal property tax relief and consider amending and re-enacting Section 4-2-21, Section 4-22, Section 4-24 and Section 4-25 to increase the income level, maximum tax relief and percentages of relief for real estate tax relief.

**Background:** Harrisonburg City Code Title 4 Chapter 2 Article B and Title 4 Chapter 2 Article K provide for exemption from real estate and personal property taxes for Harrisonburg residents that are 65 or older or permanently and totally disabled and own real estate and/or personal property in the City and qualify for the exemption. The exemption is based on income and net financial worth. The last time that changes were made to the requirements was in June 2008.

**Key Issues:** As proposed, the maximum gross combined income of the owner or owners of real property would increase from \$30,000.00 in the preceding year to \$35,000.00. The sliding scale percent of real estate tax relieved would be adjusted accordingly. The maximum tax relief for real estate would increase from \$1,000.00 to \$1,500.00.

The maximum gross combined income of the owner or owners of personal property would likewise increase from \$30,000.00 in the preceding year to \$35,000.00.

The proposed amendments also update citations to the Virginia Code and some technical language.

**Environmental Impact:** n/a

**Fiscal Impact:** The precise fiscal impact will depend on the 2020 assessments and FY21 tax rates; however, staff project the impact from personal property relief would be close to \$20,000 and real estate relief close to \$85,000.

**Prior Actions:** none



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RE:

Page 2

**Alternatives:**

- (a) Approve amending and re-enacting all ordinances as proposed;
- (b) Approve amending and re-enacting parts of either or some ordinances; or
- (c) Deny amending and re-enacting ordinances.

**Community Engagement:** n/a

**Recommendation:** Staff recommends approval of the amendments as proposed.

**Attachments:**

- 1. Red-lined copy of Sec. 4-2-124 and 4-2-125.
- 2. Clean copy of Sec. 4-2-124 and 4-2-125.
- 3. Red-lined copy of Sec. 4-2-21, 4-2-22, 4-2-24, and 4-2-25.
- 4. Clean copy of Sec. 4-2-21, 4-2-22, 4-2-24, and 4-2-25.

**Review:**

*The initiating Department Director will place in Legistar, in sequence of transmittal, the names of each department that must initial their review in order for this item to be placed on the City Council agenda. The completion of review only addresses the readiness of the issue for Council consideration. This does not address the recommendation for approval or denial of the issue.*

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