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 NUMBER: (540) 432-7781

TO: Ande Banks, City Manager
FROM: Karen I. Rose, Commissioner of the Revenue
DATE: January 13, 2025
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 to increase the income level for personal property tax relief and consider amending and re-enacting Section 4-2-23 and Section 4-2-25 to increase the income level, 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 February 2023.

Key Issues: As proposed, the maximum gross combined income of the owner or owners of real property would increase from $50,000.00 in the preceding year to $55,000.00.

The maximum gross combined income of the owner or owners of personal property would likewise increase from $50,000 in the preceding year to $55,000.00.

Environmental Impact: n/a

Fiscal Impact: Based on the current qualified applicants, the anticipated impact would be close to $20,000 to $30,000 on both real estate and personal property tax relief.

Prior Actions: none

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

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Recommendation: Staff recommends approval of the amendments as proposed.

Attachments:
1. Blue-lined copy of Sec. 4-2-23, 4-2-25 and Sec. 4-2-124.
2. Clean copy of Sec. 4-2-23, 4-2-25 and Sec. 4-2-124.

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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