

HAMPTON VA

NEWS RELEASE

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Hampton City Council continues ‘grandfathering’ of those in elderly/disabled tax-relief program

Hampton City Council voted March 9, 2016 to allow low-income elderly and disabled homeowners who were already in the city’s tax exemption program on or before July 2013 to continue to receive tax exemptions. Those homeowners must reapply annually and continue to meet program requirements.

Renewal applications may be submitted by mail and are due by Aug. 31 annually. New applicants may apply between May 15 and Aug. 31, and should call 757-727-6690 to schedule an appointment.

The Council made changes to the program in 2014 to offer two options of tax relief for new applicants:

- Deferring the property taxes for those who meet the qualifications. (In essence, the city would provide a no-interest loan to those homeowners; the debt would be repaid when the home was sold or transferred.)
- Freezing the property tax, so that those in the program would be exempt from future increases in their tax bills.

Hampton Council adopted changes to the program because the share of the city’s budget devoted to tax relief programs has been growing and topped \$3 million in fiscal year 2015. That means the city’s other homeowners were each paying on average more than \$50 per year to offset the tax obligations of others.

The goal of tax-relief programs for low-income elderly and disabled residents is to help them remain in their homes as long as they can, without tax obligations that might otherwise cause those with limited income to prematurely sell their homes to pay property taxes.

Generally, the programs cover those who are at least 65 or permanently disabled; own and occupy their home; and have household income under \$50,000 and assets (not including the home) of less than \$200,000.

For more information on this program or applications, contact the Commissioner of the Revenue at (757) 727-6690 or <http://www.hampton.gov/index.aspx?nid=574>

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