

AN ORDINANCE TO AMEND CHAPTER 44 OF THE CITY CODE BY AMENDING SECTION 44-64 THEREOF TO ELIMINATE THE REAPPLICATION PROCESS FOR PROPERTY TAX EXEMPTIONS FOR CAREGIVERS, ELDERLY PERSONS, AND DISABLED PERSONS

#4632

Sponsors:

Council
Member
Freel

Council
President
Shabazz

WHEREAS, pursuant to Section 44-64 of the City Code, a property owner who qualifies for a property tax exemption due to the owner's age or disability must reapply for such exemption every three years; and

WHEREAS, pursuant to Section 44-64 of the City Code, a property owner who qualifies for a property tax exemption due to the owner's status as a caregiver must reapply for such exemption every year; and

WHEREAS, over 1,000 senior and other eligible persons are currently receiving exemptions under this program; and

WHEREAS, it has been determined that the process for re-application is burdensome for eligible property owners and costly to the City to administer; and

WHEREAS, the Department of Finance has identified other means to audit and verify property owner status without subjecting property owners to the re-application process; and

WHEREAS, in light of the foregoing, City Council deems it necessary and appropriate to amend Section 44-64 of the City Code to eliminate the re-application process.

**NOW, THEREFORE, THE COUNCIL OF THE CITY OF WILMINGTON
HEREBY ORDAINS:**

SECTION 1. Chapter 44 of the City Code is hereby amended by amending Section 44-64(d) thereof by deleting the stricken language and adding the underlined language to read as follows:

(d) *Application; affidavit.* Application for such exemption must be made by the property owner on forms to be furnished by the city's department of finance. The property owner shall furnish the information to be executed in the manner required on

such forms, and such forms and information shall be filed, with the city's department of finance not later than June 30 for the ~~next three~~ ensuing fiscal years for which the exemption is requested, ~~except if applying under the caregiver section, which exemption shall apply for only the next ensuing fiscal year.~~ Applications for such exemptions for the balance of a fiscal year shall be filed not later than September 30, December 31, and March 31 for exemption for three-quarters, one-half, and one-quarter of the fiscal year, respectively. Exceptions to the application of deadlines for exemptions ~~are~~ may be granted as follows:

(1) The finance director of the city, with the concurrence of the finance committee of city council, shall be authorized to grant exceptions to the strict application for exemption deadlines of this section where, at their discretion and in their judgment, strict application of said provisions would work an exceptional and undue hardship upon the applicants.

(2) Such exceptions shall be granted based upon written application for exemption, signed by the applicant or his authorized agent, attaching thereto a statement of the reason, including, but not exclusively, illness, prolonged hospitalization, death of the applicant's spouse, or misunderstanding of the qualifications for exemption, that such application for exemption was not timely filed.

(3) In granting any such exception and any exemption pursuant thereto, the director of finance of the city, with the concurrence of the finance committee of city council, shall be authorized to give retroactive effect to any such exemption, including the rendering of accompanying and appropriate real property tax credits or refunds, such that any such exemption shall be effective as of the beginning of that fiscal year which the director of finance and the said finance committee deem to be appropriate and consistent with the provisions of this section.

~~Effective for fiscal year 2002, exemptions shall be granted for a period of three fiscal years, except for exemptions under the caregiver section, which exemption shall be granted for a period of one year. The property owner must reapply after each three-year exemption period in the manner stated above. However, property owners applying under the caregiver section must reapply after each one-year exemption period in the manner stated above. Property owners who qualify under the disability section shall be required to file a copy of a state, employer, or doctor's determination of disability with the department of finance, although all other conditions of a three-year the exemption still apply. Property owners who qualify under the caregiver section shall be required to file (1) proof that the family member resides in the caregiver's property and (2) a copy of a doctor's determination that the caregiver's family member is chronically ill, disabled, or is otherwise unable to perform the critical tasks of personal care necessary for everyday survival, although all other conditions of the exemption still apply. Making a false written statement on any such application shall constitute the misdemeanor of making a false written statement and the application form shall~~

bear such warning. The department of finance shall process each such application and such supporting documentation as it deems necessary and shall grant or deny the exemption. If the department of finance grants such exemption to the property owner, the exemption will remain in effect, without the need to reapply, until the property owner becomes deceased or no longer meets the conditions listed in subsections (b) and (c) of this section. The city retains the right to verify the residency and income of the property owner at any time and may rescind the exemption if the property owner becomes deceased or ceases to meet the conditions listed in subsections (b) and (c) of this section. The department of finance has the authority to audit the list of property owners receiving such exemption and may require the property owner to submit an affidavit or other documentation to substantiate the exemption. Failure of the property owner to file such application or finding of disability on or before June 30 of any year as required shall create a rebuttable presumption that the property owner is no longer eligible for property tax exemption under the provisions of this section and that any exemption so granted should be revoked for the ensuing fiscal year.

SECTION 2. This Ordinance shall be effective upon its passage by City Council and approval by the Mayor. This Ordinance shall have retroactive effect for any property owner enrolled in the exemption program as of July 1, 2018.

First Reading March 28, 2019
Second Reading March 28, 2019
Third Reading

Passed by City Council,

President of City Council

ATTEST: _____
City Clerk

Approved this ____ day of _____, 2019.

Mayor

SYNOPSIS: This Ordinance amends Section 44-64(d) of the City Code to eliminate the requirement that caregivers, elderly persons, and disabled persons reapply for a property tax exemption after such exemption has been approved by the City's Department of Finance. In addition, this Ordinance authorizes the Department of Finance to audit the list of property owners receiving such exemption and require a property owner to provide an affidavit or other documentation to substantiate the exemption.

FISCAL IMPACT: The fiscal impact resulting from this Ordinance is a decrease of approximately \$26,000 in reapplication fees. This decrease will be partially offset by a reduction in the costs of administration of the application process.

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