

**AN ORDINANCE TO AMEND CHAPTER 44 OF THE CITY CODE
REGARDING THE EXEMPTION OF ELDERLY PERSONS AND DISABLED
PERSONS FROM REAL ESTATE TAXATION**

#0054

Sponsor:

**Council
Member
McCoy**

WHEREAS, Section 44-64 of the City Code provides an exemption for elderly persons and disabled persons from real estate taxation to the extent of the first \$40,500.00 of assessed property value if certain criteria are met; and

WHEREAS, New Castle County performed a general property value reassessment that resulted in increased property valuations for real properties in the City, including properties owned by persons eligible for the aforementioned exemption; and

WHEREAS, because of the increased property valuations resulting from the reassessment, the City would like to increase the amount of the exemption on real property taxes for elderly persons and disabled persons to the extent of the first \$210,300.00 of assessed property value to provide a substantially similar exemption post reassessment as existed prior to the reassessment; and

WHEREAS, the income thresholds for elderly persons and disabled persons to receive the real estate tax exemption have not been increased since 1998, and the City would like to slightly increase them to coincide with incomes that are one hundred percent of the federal poverty level, namely, an increase from \$15,000.00 to \$15,650.00 for an individual and from \$19,000.00 to \$21,150.00 for a married couple; and

WHEREAS, Section 44-64 of the City Code also provided for a real estate taxation exemption for caregivers, which expired by its own terms on December 1, 2019; and

WHEREAS, as a housekeeping matter, the provisions for the caregiver exemption should be deleted; and

WHEREAS, in light of the foregoing City Council deems it necessary and appropriate to amend City Code Section 44-64 as described above and set forth below.

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 thereof by deleting the stricken language and adding the underlined language to read as follows:

Sec. 44-64. - Exemption of ~~caregiver~~, elderly persons, ~~or~~ and disabled persons from real estate taxation.

- (a) *Definitions.* The following words, terms and phrases, when used in this section, shall have the meanings ascribed to them in this subsection, except where the context clearly indicates a different meaning:

~~(5) Caregiver means an unpaid person who has the principal responsibility of providing direct care for a family member who is chronically ill, disabled, or who is otherwise unable to perform the critical tasks of personal care necessary for everyday survival.~~

~~(6) Family member means spouse, child, grandchild, parent, brother, sister, grandparent, great-grandparent, step-parent, spouses' parent and grandparent, son-in-law, daughter-in-law, brother-in-law and sister-in-law, and any person for whom the resident acts in loco parentis or as legal guardian of the person~~

- (b) *Entitlement, amount.* Every person, a resident of the city and the owner of real property located therein, who is 65 years of age or over shall be entitled, within the limitations of this section, to an exemption from municipal taxation on such real property to the extent of the first ~~\$40,500.00~~ \$210,300.00 of assessed valuation thereof. Every person, a resident of the city and the owner of real property located therein, who is entitled to social security disability benefits, or disability benefits received from the United States Railroad Retirement Board shall be entitled, within the limitations of this section, to an exemption from municipal taxation on such real property to the extent of the first ~~\$40,500.00~~ \$210,300.00 of assessed valuation thereof. ~~Every person, a resident of the city and the owner of property located therein, who is a caregiver for a family member shall be entitled, within the limitations of this section, to an exemption from municipal taxation on such real property to the extent of the first \$40,500.00 of assessed valuation thereof.~~

- (c) *Qualifications.* No exemption shall be granted under the provisions of

this section unless all of the conditions in this section are met:

(1) Unless:

a. The income of the property owner does not exceed the sum of ~~\$15,000.00~~ \$15,650.00 for property tax exemption for the fiscal year beginning July 1, ~~1998~~ 2025 and beginning July 1 of each fiscal year thereafter unless amended by ordinance of council, for the income tax year immediately preceding the date of making an application for property tax exemption; or

b. Where the property owner has a spouse who either lives with him or her, or, because of mental or physical infirmity, lives in a health care facility, the combined income of the two of them does not exceed the sum of ~~\$19,000.00~~ \$21,150.00 for property tax exemption for the fiscal year beginning July 1, ~~1998~~ 2025 and beginning July 1 of each fiscal year thereafter unless amended by ordinance of council, for the income tax year immediately preceding the date of making an application for property tax exemption;

(d) *Application*; affidavit.

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 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.

~~(i) Duration of caregiver exemption. The exemption for caregivers shall have an initial duration of existence of five years, beginning on December 1, 2014 and expiring on December 1, 2019, unless extended by ordinance for a longer duration prior to the expiration of the initial five years.~~

SECTION 2. This Ordinance shall be deemed effective as of its date of passage by City Council and approval by the Mayor.

First Reading May 22, 2025
Second Reading May 22, 2025
Third Reading

Passed by City Council,

President of City Council

ATTEST: _____
City Clerk

Approved this ____ day of _____, 2025.

Mayor

SYNOPSIS: This Ordinance amends Section 44-64 of the City Code to: (i) increase the amount of the exemption on real property taxes for elderly persons and disabled persons to the extent of the first \$210,300.00 of assessed value of real property; (ii) increase the income threshold for participation in the real property tax exemption to \$15,650.00 for an individual and \$21,150.00 for a married couple; and (iii) delete, as a housekeeping matter, references to the caregiver exemption that expired by its own terms in 2019.

FISCAL IMPACT STATEMENT: There is no expected additional revenue loss associated with participants who already receive an exemption in the current program. For every 100 participants above and beyond the current number of participants already receiving an exemption, the expected loss in property tax revenue is projected to be \$79,000.

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