

ORDINANCE NUMBER 2017-

**PARTIAL EXEMPTION FROM REAL ESTATE TAXATION FOR CERTAIN
REHABILITATED COMMERCIAL AND INDUSTRIAL REAL ESTATE**

- a. Owners of certain real estate located within an Enterprise Zone in Wythe County containing structures which have been substantially rehabilitated, renovated, or replaced for commercial or industrial use shall be entitled to a partial exemption from the real estate tax in accordance with Virginia Code § 58.1-3221, as it may be amended from time to time, and as set forth below.
- b. For purposes of this ordinance, commercial or industrial real estate shall mean a building or structure which has undergone, or will undergo, substantial rehabilitation, renovation, or replacement for commercial or industrial use.
- c. For purposes of this ordinance, real estate shall be deemed to have been substantially rehabilitated when a structure which is no less than forty (40) years of age has been so improved as to increase the assessed value of the structure by no less than thirty (30) percent, without increasing the total square footage of such structure by more than fifteen (15) percent.
- d. In calculating the pre-rehabilitation square footage of a structure, the Commissioner of Revenue shall include basements, attics, and attached garages. The conversion of attached, roofed shipping docks, loading docks, and structural canopies to habitable space shall not be included in the calculation of post-rehabilitation structure area, so long as the converted structure is at least forty (40) years old, and so long as the area of the converted structure is less than fifty (50) percent of the area of the principle structure.
- e. In order to qualify for the partial tax exemption, rehabilitation shall be completed within two (2) years of the date of tax exemption application.
- f. In order to qualify for the partial tax exemption, there must be no delinquent taxes owed on the property.
- g. In order to qualify for the partial tax exemption, no code violations shall exist on the property or shall be corrected within the time permitted by the County.
- h. Nothing in this ordinance shall be construed as to permit the Commissioner of Revenue to list upon the book any reduced value due to the exemption provided in this ordinance.
- i. Any person seeking the tax exemption provided by this section shall file an application with the Commissioner of Revenue prior to the commencement of rehabilitation. A fee of one hundred fifty dollars (\$150.00) for processing an application requesting the exemption provided by this ordinance shall be collected by the Commissioner of Revenue. No property shall be eligible for such exemption unless the appropriate building permits have been acquired and the building official has indicated and the Commissioner of Revenue has verified that the rehabilitation indicated on the application has started.

- j. Where rehabilitation is achieved through demolition and replacement of an existing structure, the exemption provided in this section shall not apply when any structure demolished is a registered Virginia landmark or is determined by the Virginia Department of Historic Resources to contribute to the significance of a registered historic district.
- k. The building official shall physically inspect the property at the time the application for this exemption is submitted, prior to the commencement of rehabilitation.
- l. The tax exemption provided by this section shall be in an amount equal to a percentage of the increase in assessed value resulting from the rehabilitation of the commercial or industrial structure, as determined by the Commissioner of Revenue. This amount shall only be applicable to any subsequent assessment or reassessment. The exemption shall commence on January 1 of the year following completion of the rehabilitation and shall run with the real estate for a period of five (5) years as follows:

Year	Percentage of increase in assessed value
1	100
2	80
3	60
4	40
5	20

This ordinance was duly considered following a required public hearing held on _____, and was adopted by the Board of Supervisors of Wythe County, Virginia, at its regular meeting held on _____, the members voting:

<u>NAME</u>	<u>FOR</u>	<u>AGAINST</u>	<u>ABSENT</u>	<u>ABSTAIN</u>
Joe F. Hale				
B.G. "Gene" Horney, Jr.				
Gary M. Houseman				
Charlie G. Lester				
Coy L. McRoberts				
Tim A. Reeves				
Steven T. Willis				

I certify that this is a true and correct copy taken from the _____, minutes of the Wythe County Board of Supervisors meeting.

Martha Collins, Clerk of the Board