

**CITY OF DOVER ORDINANCE #2012-03**

**BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:**

That Chapter 102 - Taxation, Article VI - Exemptions; Board of Assessment Appeals, Section 102-183 - Tax Exemption for Senior Citizens, be amended to read as follows:

Sec. 102-183. - Tax exemption for senior citizens.

- (a) *Authority.* This section is adopted to implement 22 Del. C. § 1001 et seq., granting exemptions from municipal taxation on real property for persons 65 years of age or over. Compliance must be made with such chapter 10 and this section in order to qualify for such exemption.
- (b) *Qualifications.* The exemption shall be for real property owners 60 years of age or over. If qualified, their real property shall be exempt from municipal taxation to the extent of the first \$50,000.00 of assessed valuation. This exemption shall be subject to the following:
  - (1) *Owner resides alone.* If the income of a property owner who resides alone exceeds the sum of \$15,851.00 (2008) for the income tax year immediately preceding the date of making an application for the exemption, then the exemption shall not be granted. The maximum income limit stated in the preceding sentence shall increase each year by the same percentage as the cost of living adjustment granted to recipients of Social Security retirement benefits.
  - (2) *Spouses reside together.* If the income of a property owner and spouse who reside together exceeds the sum of \$22,192.00 (2008) for the income tax year immediately preceding the date of making an application for the exemption, then the exemption shall not be granted. The maximum income limit stated in the preceding sentence shall increase each year by the same percentage as the cost of living adjustment granted to recipients of Social Security retirement benefits.
  - (3) *Exclusion from income.* In computing income of the property owner in order to determine entitlement for the deduction, Civil Service Retirement System (CSRS) benefits up to 150 percent of the Social Security maximum benefit, Social Security benefits and railroad pensions shall not be considered as income.
  - (4) *Location, use of property.* The real property must be located within the limits of the city and must be used exclusively for residential purposes.
  - (5) *Residence.* The real property must be the legal residence of, and be occupied in whole or in part by, the property owner.
  - (6) *Owner of record.* The property owner must be the owner of record of said real property as of December 31 of the calendar year immediately preceding the date of making application for the exemption.
  - (7) *Time when age attained.* The property owner must have attained the age of 60 years by March 1 of the year in which the exemption application is filed.

- (8) *Filing applications.* Applications for exemption shall be filed in accordance with regulations adopted by the city council and for cause shown. The city assessor may accept and act upon applications received after any established application filing date.
- (9) *Refund.* The city assessor is empowered to refund taxes paid by a qualified applicant who is entitled to an exemption and successfully files for the same.
- (10) *Evidence.* The city assessor's office shall be authorized to require any applicant to submit evidence substantiating income reported for receipt of the exemption. The city assessor may deny applications where requested income verification is not submitted by the applicant.
- (11) *Denial; appeals.* Denial of exemptions by the city assessor and any other complaints regarding the exemption process may be appealed by the taxpayer directly to the board of assessment appeals. The board of assessment appeals shall have the power to affirm, overrule or remand the decision of the city assessor.
- (12) *Interest; retroactive exemptions.* Qualified senior citizens who fail to exercise their property tax exemption shall not be entitled to any interest payments on said exemption amount; nor shall unexercised property tax exemptions be retroactive beyond the current tax year.
- (13) *Penalties.* Penalties assessed to delinquent property tax accounts that are eligible for a senior citizen exemption that has not been exercised shall not be excused.
- (14) *Council review.* City council will review these numbers at the conclusion of each reassessment.

ADOPTED: MARCH 12, 2012

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### SYNOPSIS

This amendment replaces the language “federal civil service retirement” with “Civil Service Retirement System (CSRS)” and changes the computation of the property owner’s entitlement for the deduction from a dollar amount to a percentage of the Social Security maximum benefit.

#### Actions History

March 12, 2012 - Final Reading by Council  
February 27, 2012 - First Reading Held by Council  
February 13, 2012 - LF&A Committee Recommended Adoption  
January 23, 2012 - Referred Back to Staff by the Legislative, Finance, and Administration Committee