

# HAMPTON VA

## NEWS RELEASE

For immediate release

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## **Council votes to continue grandfathering elderly who have tax exemptions**

**Feb. 10, 2016** - City Council members received a briefing Wednesday afternoon about the impact of tax relief programs on the city's budget.

Mary Joyner, tax management specialist from the Commissioner of the Revenue's office, presented data showing that the city lost \$3 million in tax revenues for fiscal year 2016 from both state exemption and local tax relief programs.

Prior to the state mandating an exemption for disabled veterans - and not compensating localities for the loss of that revenue - tax relief programs for low-income elderly residents was costing less than \$2 million a year in Hampton, Joyner said.

Since Council introduced changes in 2014 that shifted new enrollees eligible for the elderly tax relief program to choosing a tax freeze or deferral, the cost of that program has decreased slightly.

Council originally extended the program for those who had been enrolled prior to the change, but that exemption was set to expire on July 1. Council members voted unanimously to direct the city manager to prepare a budget and related changes that would continue the exemption for those who were enrolled in the fiscal year 2014 program, provided they continue to apply and qualify.

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