



CITY OF  
**FALLS  
CHURCH**

Office of the Treasurer  
Jody Acosta, MGT

300 Park Avenue, Suite 201 West  
Falls Church, VA 22046  
703-248-5046 (TTY 711)  
[www.fallschurchva.gov/Treasurer](http://www.fallschurchva.gov/Treasurer)

July 26, 2019

Dear Falls Church Relief Program Participant:

As a current participant in the City of Falls Church's Real Estate Tax, Personal Property Tax and Rent Relief program, we would like to inform you of recent Tax Relief Ordinance changes.

On July 8, 2019, the Falls Church City Council voted to amend the City's Tax Relief Ordinance. The new changes are designed to offer more assistance and expand benefits for our citizens.

What does this mean for you? Your benefit amount may change based on changes to the program. **Please attend our Senior Tax Relief workshop on July 30, 2019 at 1:30 pm at the Senior Center** (see details below) in order to learn how you may be affected by the new program. If you are unable to attend the workshop and have questions about the program changes, please call us at 703-248-5046 or come visit us at our newly renovated offices at City Hall located at 300 Park Ave. #201W. Please note that we are now located in suite 201 in the west wing. When you come into the main entrance of the building, please go to your left up the stairs or use the elevator to reach us.

Since this is a new program based on the newly enacted City Ordinance, all participants must submit a new application. **Please complete the enclosed updated application and return it to us on or before September 15, 2019 in order to receive tax relief on your next real estate tax bill.** You are required to submit your 2018 income tax return and all accompanying schedules, W-2's and 1099's along with your application. You are also required to submit all asset statements (savings, checking, IRA, etc.) with an ending balance as of 12/31/2018.

Part of the ordinance change is a move to align the application year, which was previously based on the calendar year, with our real estate billing cycle which is based on a fiscal year. Therefore, the application due date will remain September 15 each year going forward.

If you are a new applicant *this year* who just submitted all your documentation for the 4/15/19 deadline, then you do not need to duplicate the supporting documents. Simply complete the enclosed Re-Certification application and submit it with a note.

Please read the attached program information carefully. **We will be conducting a workshop on July 30<sup>th</sup> at 1:30 pm in the Senior Center** to review the program changes and answer any questions you may have. The Senior Center is located at 223 Little Falls St, Falls Church, VA 22046. Please join us. If you have any other questions, please call us at (703) 248-5046, TTY/Voice 711.

Sincerely,

Niki Wisemiller  
Chief Deputy Treasurer  
City of Falls Church

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## SUMMARY

### CHANGES TO THE CITY OF FALLS CHURCH TAX RELIEF PROGRAM FOR THE ELDERLY AND DISABLED

On July 8, 2019 the Falls Church City Council voted to amend the City's Tax Relief ordinance. A Tax Relief Working Group was appointed by City Manager Wyatt Shields in the fall of 2018, and led by City Treasurer Jody Acosta.

The Working Group was tasked with reviewing the City's existing tax relief program, comparing it to neighboring jurisdictions programs and making recommendations to improve the program for our citizens.

The Working Group consisted of a member of the City's Human Services Advisory Board, the City's Director of Housing and Human Services, a City Council liaison member, a citizen and tax relief program participant, the City Treasurer and the Chief Deputy Treasurer.

After months of meetings, study and review, the Working Group recommended the following changes to the ordinance:

- 0% interest on deferred taxes beginning July 1, 2019.
- Existing deferral balances remain, but will accrue no further interest after July 1, 2019.
- Applications process to use Gross Income – no deductions, except existing disability deductions
- Lower asset limit to \$400,000
- Grandfather current recipients (3) with assets over \$400,000 but below \$540,001 who would otherwise qualify for relief to allow them to continue in the program (Note: Council added a sunset clause to limit this exception to 2 years – through June 30, 2021)
- No change to disability deductions (allow either 50% of SSD or \$7500 other disability income deduction)
- \$10,000 income deduction allowed for non-spouse, non-owner income (Caregiver exclusion)
- Allow 2 year retroactive limit for veteran tax relief and/or disability exemption
- Allow deferral only for applicants with assets between \$400,000 and \$540,000 whose income limits otherwise meet the criteria for tax relief
- Allow deferral only for applicants whose homes have an assessed value (AV) of more than 125% of the City's average AV in any given year
- Re-write ordinance to move tax relief from a calendar year to a fiscal year basis, in order to align with the real estate billing year

The City Council voted to approve the recommendations and the new ordinance became effective July 1, 2019.