

**BOARD OF SUPERVISORS MINUTES**

**MAY 14, 2019**

At a Worksession of the Orange County Board of Supervisors held on Tuesday, May 14, 2019, beginning at 4:30 p.m., in the Meeting Room of the Gordon Building, 112 West Main Street, Orange, Virginia. Present: James K. White, Chairman; James P. Crozier, Vice Chairman; R. Mark Johnson; S. Teel Goodwin; and Lee H. Frame. Also present: R. Bryan David, County Administrator; Thomas E. Lacheney, County Attorney; and Alyson A. Simpson, Chief Deputy Clerk.

RE: REAL ESTATE & PERSONAL PROPERTY TAX EXEMPTIONS FOR NON-PROFIT ORGANIZATIONS

Glenda Bradley, Assistant County Administrator for Management Services, explained that the Board had requested additional information on real estate and personal property tax exemptions for various non-profit organizations, particularly related to the ability for local governing bodies to grant the exemptions. She indicated that the Code of Virginia established classifications and designations of exemptions from local property taxes in Section 58.1, Chapter 36. Initially, there were eight (8) classifications automatically exempted from local property taxes, with other classifications being later designated in 1971.

Ms. Bradley noted that beginning January 1, 2003, the Code of Virginia allowed local governing bodies to exempt properties owned by non-profit organizations by classification or by designation through local ordinance, which required a public hearing. A list of factors and questions to be considered by the local governing body prior to making a decision were included in the Code.

Ms. Bradley stated that other localities had developed guidelines and/or applications to be used as part of the tax exemption consideration. She opened the floor for discussion and requested the Board's thoughts on how tax exemptions should be processed going forward.

Discussion ensued among the Board regarding: automatic tax exemptions by the Commissioner of the Revenue under the Code of Virginia; determination of the eligibility for a tax exemption; whether or not proof was required to determine eligibility; local control of the exemption application process; review of tax exemptions for compliance; creative ways to seek an exemption; the exemption of subdivision common areas; consistent handling of exemption requests; the ability to have a paper trail; and the triennial review of exemptions to determine continued eligibility.

By consensus, the Board requested the development of guidelines for processing tax exemption requests for non-profit organizations be scheduled for further discussion at a worksession in June.

RE: ADJOURN

The Board concluded its Worksession and continued to its Regular Meeting at 5:01 p.m.

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James K. White, Chairman

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R. Bryan David, County Administrator