Loudoun County, Virginia
www.loudoun.gov

Office of the County Administrator
1 Harrison Street, SE, 5th Floor, P.O. Box 7000, Leesburg, VA 20177-7000

# REQUESTS FOR EXEMPTION FROM TAXATION
# IMPORTANT INFORMATION
## PLEASE READ BEFORE COMPLETING THE APPLICATION

## AUTHORITY

**STATE CODE EXEMPTIONS:** Article 10, Section 6(a) of the Virginia Constitution and Section 58.1-3600, *et seq*. of the Code of Virginia grant exemption from real estate and tangible personal property taxation to churches, religious denominations, and various charitable, educational and recreational non-profit organizations whose purpose and use of property meet the criteria established by the Constitution and Code of Virginia. *See* CONSTITUTION AND CODE, attached.

**LOCAL EXEMPTIONS:** Subsection 6(a)(6) of Article 10 of the Constitution of Virginia and VA. CODE 58.1-3651 authorize a local governing body to provide exemption from taxation for the real or personal property, or both, owned by non-profit organizations which use the property for religious, charitable, patriotic, historical, benevolent, cultural or public park and playground purposes. An ordinance adopted by the Board of Supervisors or any amendments enacted to applicable Virginia law after November 16, 2004, when the policies described below were adopted, will supercede those policies. **No exemption can be granted to an organization having any rule, regulation, policy, or practice that unlawfully discriminates on the basis of religious conviction, race, color, sex or national origin**. *See* VA. CODE SEC. 58.1-3651(A), attached.

**NOTE:** A designation of exemption from federal taxes by the Internal Revenue Service (IRS) does not automatically confer exemption from local taxes**.** Each application for exemption from local taxes is evaluated in accordance with applicable Virginia law and County regulations.

| IMPORTANT DATES | |
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| **Application Due** | **April 1st** |
| **Staff Review** | **April / May** |
| **Board Committee Review (Finance)** | **May** |
| **Public Hearing** | **July** |
| **Board Discussion and Action** | **September / October** |

## APPLICATION PROCEDURES

1. Non-profit organizations seeking exemption from taxation for real or personal property, or both, must file an application with the County Administrator. If applying for both real and personal property tax exemption, the application must be submitted in duplicate with original signatures on each verification page.

2. Except for churches, exemptions granted will be effective as of January 1st of the year following the year of Board approval. *See* VA. CODE SEC. 58.1-3360

3. To be effective as of January 1st of a given year, applications for Local Exemptions must be filed before April 1st of the preceding year.

4. The County Assessor and the Commissioner of the Revenue will conduct an initial review of each application to determine if the applicant qualifies for a State Code Exemption. If an applicant does not qualify for a State Code Exemption, but may be eligible for a Local Exemption granted by the Board of Supervisors, the application will be forwarded to the Review Panel. *See* POLICY GUIDELINES, Section C, attached.

5. The Review Panel will review each application for Local Exemption and supporting materials, applying the 3-step process outlined in Section C.4. of the POLICY GUIDELINES. The County Administrator will report those findings to the Board of Supervisors.

6. The Board of Supervisors will hold a public hearing on all applications for Local Exemption. Notice of the hearing shall be published at least once in a newspaper of general circulation in the County, with the hearing to be held at least 5 days after publication of notice.

7. Local Exemptions shall be granted only by ordinance adopted by the Board of Supervisors after holding a public hearing. The ordinance shall state the specific use on which the Local Exemption is based, that continuance of the Local Exemption shall be contingent on the applicant organization's continued use of the property in accordance with the purpose for which the organization is classified or designated; and shall contain such other conditions or restrictions as the Board may deem appropriate.

8. Once granted, a Local Exemption will be effective until the organization no longer qualifies, until the specific use on which the Local Exemption is based ceases, or until revoked by the Board as provided by law, whichever occurs first.

9. Exemptions granted to organizations who qualify under State law will be effective until (a) the organization no longer qualifies or (b) the specific use on which the State Code Exemption is based ceases.

**COPIES of PERTINENT STATUTES and COUNTY REGULATIONS are ATTACHED FOR YOUR INFORMATION. PLEASE READ CAREFULLY. CONSULT WITH YOUR LEGAL ADVISOR IF NECESSARY.**

If you have other questions regarding REAL ESTATE TAX EXEMPTION, contact—

Todd Kaufman, County Assessor
Telephone: 703-777-0290
Facsimile: 703-771-5234
E-mail: tkaufman@loudoun.gov

If you have other questions regarding PERSONAL PROPERTY TAX EXEMPTION, contact—

Robert S. Wertz, Jr.
Commissioner of the Revenue
Telephone: 703-777-0260
Facsimile: 703-777-0263
E-mail: bwertz@loudoun.gov