

SENATE BILL NO. 477

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Senate Committee on Finance and Appropriations

on \_\_\_\_\_)

(Patron Prior to Substitute--Senator Aird)

A BILL to amend and reenact § 58.1-3221.6 of the Code of Virginia, relating to blighted and derelict properties in certain localities; rate of tax.

**Be it enacted by the General Assembly of Virginia:**

**1. That § 58.1-3221.6 of the Code of Virginia is amended and reenacted as follows:**

**§ 58.1-3221.6. Classification of blighted and derelict properties in certain localities.**

A. For the purposes of this section:

"Blighted property" means the same as that term is defined in § 36-3, but shall not include any residential property that serves as the primary residence of its owner.

"Derelict building" means the same as that term is defined in § 15.2-907.1, but shall not include any residential building or structure that serves as the primary residence of its owner.

"Qualifying locality" means a locality with a score of 100 or higher on the fiscal stress index, as published by the Department of Housing and Community Development in July 2020.

B. In a qualifying locality, blighted properties, along with the land such properties are located on, are declared to be a separate class of property and shall constitute a separate classification for local taxation of real property.

C. In a qualifying locality, derelict buildings, along with the land such properties are located on, are declared to be a separate class of property and shall constitute a separate classification for local taxation of real property.

D. The governing body of a qualifying locality may, by ordinance, levy a tax on the property enumerated in subsection B at a rate different than that levied on other real property. The rate of tax

26 imposed on such property may exceed the rate applicable to the general class of real property by up to ~~five~~  
27 15 percent, but shall not be less than the rate applicable to the general class of real property.

28 E. The governing body of a qualifying locality may, by ordinance, levy a tax on the property  
29 enumerated in subsection C at a rate different than that levied on other real property. The rate of tax  
30 imposed on the property enumerated in subsection C may exceed the rate applicable to the general class  
31 of real property by up to ~~10~~ 30 percent, but shall not be less than the rate applicable to the general class of  
32 real property.

33 F. Any tax levied pursuant to subsection D or E shall be imposed on a property upon a  
34 determination by the real estate assessor of the locality that such property constitutes either a blighted  
35 property or derelict structure, respectively. Such tax shall continue to be imposed until it has been  
36 determined by the real estate assessor of the locality that such property no longer constitutes a blighted  
37 property or derelict structure.

38 G. Any person aggrieved by the application of this section may appeal the determination by the  
39 real estate assessor as an erroneous assessment in accordance with Article 5 (§ 58.1-3980 et seq.) of  
40 Chapter 39.

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