

Monthly Installment Option for Real Estate Taxes on Property Owned by Elderly and Disabled Persons

Senior citizens and disabled persons who pay their own real estate taxes may elect to pay these taxes in 12 equal installments rather than in semi-annual installments. This option is available for real estate taxes assessed for property owned and occupied as their sole dwelling. To participate, either the owner or co-owner of the property must be 65 years of age or older.

Questions and Answers

Does this program reduce the amount of real estate taxes due?

No, the sum of the 12 monthly payments will be equal to the amount that would have been due as regular semi-annual installments.

When is each monthly installment due compared to the regular semi-annual due dates?

An example of the payment schedule under this program as compared to the normal semi-annual payment schedule is shown in the following table:

Payment Due Date	EXAMPLE Real Estate Tax Due Normal Due Dates	EXAMPLE Real Estate Tax Due Monthly Installment Option
July 15	\$ 1,800.00	\$ 300.00
August 5		\$ 300.00
September 5		\$ 300.00
October 5		\$ 300.00
November 5		\$ 300.00
December 5	\$ 1,800.00	\$ 300.00
January 5		\$ 300.00
February 5		\$ 300.00
March 5		\$ 300.00
April 5		\$ 300.00
May 5		\$ 300.00
June 5		\$ 300.00
Total Due	\$ 3,600.00	\$3,600.00

Note: Storm water and solid waste fees will be due along with the July 15th and December 5th installment payment as they are normally.

I have a mortgage on my property, can I participate?

Having a mortgage does not necessarily disqualify you from participating in this program. However, if you are paying taxes into a property tax escrow along with your mortgage payment, you cannot participate. If you are required or have chosen to pay the taxes yourself and you have no property tax escrow, you may be able to participate if nothing in your mortgage contract precludes this optional tax payment schedule. If you have a question, you should contact your mortgage company. The County does not have access to your mortgage documents and cannot make this determination for you.

I am receiving partial tax relief under the tax relief for elderly and disabled program. Can I have the amount not relieved split into 12 monthly installments?

Yes, as long as the resulting monthly installments are \$20 or greater.

Can I pay any of the installment amounts in advance?

Yes, each month you will be sent a statement that shows the minimum amount due for that month. The statement will also show the remaining balance of all unpaid installments. If you want to pay more than the amount due for that month, the overpayment will simply be applied against amounts due in future months.

Is there a penalty for paying an installment late?

Yes, just like the regular semi-annual installments, a 10% late payment penalty will be added to late payments. Interest on the unpaid tax and late payment penalty will accrue monthly beginning on the first of the month following the due date at a rate of 10% per annum.

Will I have to reapply every year?

No, but we will send you a confirmation each spring and you will have an opportunity to opt out of the program for the current year. If any real estate taxes are delinquent at the time of renewal, you will not be able to participate until all delinquent taxes are paid in full.

What if I sell my property or move during the year?

If you are participating in this program and sell your property during the repayment period, you must contact us immediately since some or all of the taxes scheduled to be paid in future installments will become due on the settlement date. You should also notify the attorney or firm conducting the settlement that you participate in this program and instruct them to contact us so that the correct amount of taxes can be deducted from your settlement proceeds.

Program Notes

There is no deadline for filing, but the program generally works best if you apply before the first installment is due in July.

Applicants must not have any delinquent real estate taxes to participate.

Disabled persons must present a certification from the Social Security Administration, Department of Veterans Affairs or Railroad Retirement Board stating that the applicant is permanently and totally disabled, or if not eligible for certification by any of these agencies, the applicant must present a sworn affidavit from two medical doctors, who are either licensed to practice medicine in Virginia or are military doctors on active duty, to the effect that the applicant is permanently and totally disabled. The affidavit of at least one of these doctors must be based on an actual physical examination.

Information on your application is confidential and not open for public inspection. However, the fact that the regular tax installments have been converted to monthly installments is public information and subject to disclosure.

Real estate taxes are deductible for tax purposes in the year paid (if you itemize your deductions). Participation in this program will reduce the amount of real estate taxes that you pay in the first year that you participate since the amount normally due in December will be paid over the ensuing six months.

Information and How to Apply

For more information or to have an application sent to you by mail, contact the Tax Administration Office at 703-792-6710 or by email at Taxpayer_Services@pwcgov.org. Applications are also available on our web site at www.pwcgov.org/tax.

The following is the Code of Prince William section authorizing this program:

ARTICLE III REAL ESTATE PROPERTY TAX

Sec. 26-8(b) Installment payments for elderly and disabled persons. Subject to the limitations set forth in this subsection, any person at least sixty-five years old or any person found to be permanently and totally disabled as defined in Section 26-36 of this Chapter shall have the option of making twelve (12) equal installment payments for real estate taxes assessed for real estate owned and occupied as their sole dwelling. The first installment shall be due no later than July fifteenth of each year, and the subsequent eleven (11) installments shall be due no earlier than the fifth of each month beginning in August of each year. If any installment is not paid on or before its due date, the amount of the installment shall be past due as of that date. Real estate taxes assessed against a dwelling jointly owned will be eligible for installment payments if the dwelling is held by a husband and wife and either spouse is at least sixty-five years old or is permanently and totally disabled as defined in Section 26-36 of this Chapter. In order to participate in a twelve-month installment program, eligible persons must submit an application to the director the finance no later than June 1st of each year, and must not have any delinquent real estate taxes at the time of application. If property subject to a twelve-month installment plan is sold or otherwise transferred from the eligible property owner, participation in the installment payment program will cease, and all unpaid installments will become due as follows:

(i) if the property is transferred between January 1 and June 30 of any year, all unpaid tax installments for the preceding tax year, in addition to all unpaid taxes from January 1 of the year in which the property is transferred, prorated to the effective date of the transfer, shall be due and payable as of the effective date of the transfer.

(ii) if the property is transferred between July 1 and December 31 of any year, all unpaid taxes from January 1 of the year in which the property is transferred, prorated to the effective date of the transfer, shall be due and payable as of the effective date of the transfer.

This installment option for elderly and disabled persons shall not apply to:

(A) taxes under a contract to be paid by a mortgage company;

(B) taxes due under rollback tax provisions in state and local laws;

(C) tax bills for which a 12-month installment plan will result in a monthly installment being less than twenty dollars;

(D) stormwater management fees and solid waste fees. These fees will be billed in the same amount and will be due on the same date as billed to all County residents, meaning these fees will be included in the installments due on July 15th and December 5th of each year