


COUNTY OF YORK

MEMORANDUM

DATE: April 2, 2020 (BOS Mtg. 4/21/2020)

TO: York County Board of Supervisors

FROM: Neil A. Morgan, County Administrator 

SUBJECT: Emergency Ordinance to Implement Certain Temporary Forms of Tax Relief

Code of Virginia sections 2.2-3708.2(A)(3) and 15.2-1413, taken together, allow local governing bodies to meet electronically, without a quorum physically present, for the purpose of addressing an emergency which has been declared by the Governor. Section 15.2-1427(F) also allows governing bodies of counties to adopt emergency ordinances without notice, provided that the ordinance will expire after 60 days unless readopted using normal advertising procedures. This meeting has been called under section 2.2-3708.2(A)(3) for the sole purpose of adopting emergency ordinances necessitated by the current emergency, which the Governor has declared to constitute a disaster.

Proposed Ordinance No. 20-13 affords various measures of tax relief, reducing penalties and interest on late tax and utility billing payments until September 30, waiving credit card fees, and eliminating the bad check fees for payments made by electronic transfer due to account number entry errors. Currently, penalties on delinquent tax and utility payments are 10% of the amount of the bill if the amount of the bill is over \$100, with lesser penalties for bills of smaller amount. For certain taxes, including the real property tax, a short grace period is allowed during which only a 2% penalty is charged. For all delinquent payments, interest is computed at the annual rate of 10%. The proposed ordinance reduces certain tax penalties for 2020 taxes and interest to 2% if paid on or before September 30, 2020. Penalty for 2020 taxes under 21-3 and all interest will be reduced for personal property taxes, real property taxes, and business personal property taxes including machinery and tools tax. The ordinance also waives all returned check fees if the payment is by electronic transfer, for payments received through September 30, if the return is due to an incorrect entry of account number on the recognition that many electronic transfers are returned because of typing errors by the payer in entering the routing and account numbers of their account, and not for a lack of funds. Finally, the ordinance waives all credit card fees for payments made to the County, in order to encourage the use of credit cards rather than checks or cash that have to be personally handled. The fees will be accounted for as an administrative expense and not a deduction in the tax or fee collected.

I recommend the adoption of Ordinance No. 20-13. If adopted, the ordinance will be scheduled for readoption on or before the meeting currently scheduled for June 16.

JEB:SWH/3343

Attachment:

- Proposed Ordinance No. 20-13

BOARD OF SUPERVISORS
COUNTY OF YORK
YORKTOWN, VIRGINIA

Ordinance

At a regular meeting of the York County Board of Supervisors held in York Hall, Yorktown, Virginia, on the ____ day of _____, 2020:

Present

Vote

W. Chad Green, Chairman
Walter C. Zaremba, Vice Chairman
Sheila S. Noll
Jeffrey D. Wassmer
Thomas G. Shepperd, Jr.

On motion of _____, which carried ____, the following ordinance was adopted:

AN EMERGENCY ORDINANCE TO IMPLEMENT CERTAIN TEMPORARY FORMS OF TAX RELIEF, INCLUDING WAIVERS OF COUNTY CREDIT CARD FEES, REDUCTIONS IN PENALTIES AND INTEREST FOR DELINQUENT TAX AND UTILITY BILL PAYMENTS, AND A WAIVER OF RETURNED CHECK FEES ON ELECTRONIC PAYMENTS, IN ORDER TO PROVIDE A MEASURE OF FINANCIAL RELIEF DURING THE DECLARED EMERGENCY AND DISASTER RELATED TO THE COVID-19 VIRUS

WHEREAS, on March 12, 2020, Governor Ralph S. Northam issued Executive Order Fifty-One declaring a state of emergency for the Commonwealth of Virginia arising from the novel Coronavirus (COVID-19) pandemic; and

WHEREAS, Executive Orders 51, 53, and 55 acknowledged the existence of a public health emergency which constitutes a disaster as defined by Virginia Code § 44-146.16 arising from the public health threat presented by a communicable disease anticipated to spread, and addressed other matters relating to the disaster including prohibitions on certain gatherings of people; and

WHEREAS, on March 17, 2020, the Board confirmed the declaration of local emergency made by the local director of emergency management on March 13, as modified on March 17, 2020; and

WHEREAS, the Board finds that COVID-19 constitutes a real and substantial threat to public health and safety and constitutes a “disaster” as defined by Virginia Code §44-146.16 being a “communicable disease of public health threat;” and

WHEREAS, the Board finds that the disaster, and actions taken to prevent the spread of the disease, have caused, and will continue to cause, extreme financial hardship for the county government and for its citizens, such that the Board wishes to provide a measure of relief to the citizens and business owners of the County by means of emergency amendments of various County ordinances relating to taxation and other fiscal matters; and

WHEREAS, Code of Virginia § 15.2-1427(F) authorizes counties to adopt emergency ordinances without notice to be effective for a period not to exceed sixty (60) days unless readopted in accordance with applicable provisions of the Virginia Code; and

WHEREAS, this emergency ordinance in response to the disaster caused by the COVID-19 pandemic promotes public health, safety and welfare and is consistent with the law of the Commonwealth of Virginia, the Constitution of Virginia and the Constitution of the United States of America.

NOW, THEREFORE, BE IT ORDAINED as follows:

1. Anything in the County Code or in any County ordinance notwithstanding, the penalty for payment beyond the due date on any local taxes assessed for the tax year 2020 on real property, tangible personal property (including motor vehicles, trailers, semitrailers), business tangible personal property, business machinery and tools, or boats or other watercraft, or on any sewer utility fee per County Code § 18.1-79, solid waste fee per County Code §19-75, or water utility fee per County Code § 22-112, shall be two percent (2%) for payments made on or prior to September 30, 2020, and for payments made thereafter shall increase to the amounts stated in the applicable ordinance, to a maximum of ten percent (10%).
2. Anything in the County Code or in any County ordinance notwithstanding, the interest for payment beyond the due date on any local taxes assessed on real property, tangible personal property (including motor vehicles, trailers, semitrailers), business tangible personal property, business machinery and tools, or boats or other watercraft, or on any sewer utility fee per County Code § 18.1-79, solid waste fee per County Code §19-75, or water utility fee per County Code § 22-112, shall be two percent (2%) for payments made on or after May 1, 2020 and on or prior to September 30, 2020, and for payments made thereafter shall increase to the amounts stated in the ordinance, to a maximum of ten percent (10%).

3. County Code §§ 2-2, 18.1-81, 19-77, and 22-114 are hereby amended to state that the fee shall be waived for any electronic check (commonly known as an e-check) for payment of taxes or any other sums due the county, submitted on or after May 1, 2020, which is subsequently dishonored for reasons other than that there are insufficient funds or the account has been closed, but has been returned specifically as “no account/unable to locate” or “invalid account number”, provided that full payment is thereafter made in full on or before thirty (30) days after the County Treasurer has notified the payor that the check has been dishonored. Notification shall have deemed to have occurred as of the date that notification is made by telephone or email, or on the date that written notice is deposited with the United States Postal Service, postage prepaid.
4. Any other provision of the County Code, or administrative directive or regulation of the Treasurer notwithstanding, all credit card fees charged for the payment of County taxes or utility fees are waived for payments made on or after May 1, 2020 and on or before September 30, 2020. Any such fees shall be accounted as administrative costs and not as a reduction in the amount of tax or fee paid.

BE IT FURTHER ORDAINED, that the provisions of this Emergency Ordinance shall remain in full force and effect for a period of 60 days, unless amended, rescinded or readopted by the Board in conformity with the notice provisions set forth in Virginia Code §15.2-1427.

An emergency is deemed to exist, and this ordinance shall be effective upon its adoption.