



Commonwealth of Virginia Proposed Constitutional Amendments.

The League of Women Voters of Virginia put together this information sheet to help citizens better understand the proposed amendments. Visit our website at www.LWV-VA.org

Article X, Taxation and Finance. Section 6, Exempt Property

BALLOT QUESTION 1: Shall Section 6 of Article X of the Constitution of Virginia be amended to authorize legislation that will permit localities to establish their own income or financial worth limitations for purposes of granting property tax relief for homeowners not less than 65 years of age or permanently and totally disabled?

EXPLANATION: The proposed amendment (i) removes the requirement that tax exemptions are available only to such persons who bear “an extraordinary tax burden,” and (ii) gives the General Assembly authority to permit localities to determine their own income or financial worth limitations for tax exemptions for persons 65 years of age or older or for persons permanently and totally disabled.

The League of Women Voters of Virginia suggests the following points to consider:

Supporters Say:

- It will eliminate the need for the General Assembly to rule on a case-by-case basis.
- It applies a more rational standard for localities to make their tax exemption laws.

Opponents Say:

- Disparities in eligibilities among localities may affect fairness across the state.
- Localities could reduce taxes for older citizens and thereby lessen available money for local services such as schools.

Article X, Taxation and Finance. Section 6-A, Property tax exemption for certain veterans

BALLOT QUESTION 2: Shall the Constitution be amended to require the General Assembly to provide a real property tax exemption for the principal residence of a veteran, or his or her surviving spouse, if the veteran has a 100 percent service-connected, permanent, and total disability?

EXPLANATION: The proposed amendment would require the General Assembly to pass a law exempting from local taxation the principal residence owned and occupied by any veteran with a 100 percent service-connected, permanent, and total disability. The veteran’s surviving spouse could continue to claim the exemption so long as he or she does not remarry and continues to occupy the home as his or her principal residence.

The League of Women Voters of Virginia suggests the following points to consider:

Supporters Say:

- It improves the financial situation of 100% disabled veterans in the Commonwealth.
- It makes it easier for 100% disabled veterans to qualify for tax relief.
- It will eliminate the need for the General Assembly to rule on a case-by-case basis.

Opponents Say:

- It adds a new permanent category for a tax exemption.
- Localities’ tax revenues are reduced without compensating reimbursement from the Commonwealth.
- It extends duration of exemptions to surviving spouses, regardless of their financial circumstances.

Article X, Taxation and Finance. Sec.8, Limit of tax or revenue; Revenue Stabilization Fund

BALLOT QUESTION 3: Shall Section 8 of Article X of the Constitution of Virginia be amended to increase the permissible size of the Revenue Stabilization Fund (also known as the “rainy day fund”) from 10 percent to 15 percent of the Commonwealth’s average annual tax revenues derived from income and retail sales taxes for the preceding three fiscal years?

EXPLANATION: The proposed constitutional amendment increases the maximum size of the Fund from 10 percent to 15 percent of the Commonwealth’s average annual tax revenues from income and sales taxes for the preceding three fiscal years.

The League of Women Voters of Virginia suggests the following points to consider:

Supporters Say:

- It’s sound financial planning.
- It assures that more state funding is available in lean years.

Opponents Say:

- It could decrease available revenue for current state services.
- Additional management fees could provide windfalls for financial institutions in the state.