



Legislation Text

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File #: 20-0039, Version: 1

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Request for Approval of Refund of Certain Erroneously Assessed Real Estate Taxes

**PURPOSE/BACKGROUND:**

The City Treasurer shall issue refunds of local tax, penalty, and interest assessed and paid, owing to a taxpayer due to an erroneous assessment. Pursuant to Hampton City Code Section 37-2(b) and Code of Virginia Section 58.1-3981, no refund in excess of \$2,500 per invoice shall be made until the amount is approved by the City Attorney and the City Council.

**Discussion:**

The Assessor of Real Estate has given notice to the City Treasurer of a change in assessment resulting in the need to refund certain real estate taxes paid by Mallory Pointe VA, LLC for real property located at 1300 N. Mallory Street (LRSN 12005714) (the "Property"). Mallory Pointe VA, LLC acquired the Property on February 16, 2018 from AH&H Corp. In October of that same year, the property was transferred from Mallory Pointe VA, LLC to the Mallory Pointe Owners Association. Pursuant to Code of Virginia Section 58.1-3284.1, common space in a planned development shall be construed as having no value in that it only lies in the value that is attached to the residential and commercial properties with rights to use that open space (and the value for which is included proportionally in the values of those residential and commercial properties). The total amount of the refund due and payable to Mallory Pointe VA, LLC for those taxes, penalty, and interest paid for the period of February 16, 2018 through October 17, 2018 is \$16,848.30, in accordance with 58.1-3916, and will be paid to Mallory Pointe VA, LLC at its principal address of 448 Viking Drive, Suite 220, Virginia Beach VA 23452.

**Impact:**

The action requests a refund of real estate taxes, penalty and interest (if any) by an entity deemed exempt by the Assessor from those taxes.

**Recommendation:**

Approve the Resolution.

**WHEREAS**, pursuant to Hampton City Code Section 37-2(b), the City Treasurer shall issue refunds of local tax, penalty, and interest owing to a taxpayer, except that no refund in excess of \$2,500 per invoice for tax, penalty, and interest until the amount of the refund is approved by City Council in accordance with Code of Virginia Section 58.1-3981;

**WHEREAS**, pursuant to Code of Virginia Section 58.1-3981(A), if an assessment has been paid, the

governing body of the county or city shall, upon certification of the assessing official and the city attorney that an assessment is erroneous, direct the treasurer to refund the excess paid, with interest if so authorized;

**WHEREAS**, the City Assessor has certified that certain real taxes levied on Mallory Pointe Owners Association were erroneous and the City Attorney agrees that the assessment was erroneous; and

**WHEREAS**, the Treasurer has certified that those taxes were paid by Mallory Pointe VA, LLC on behalf of Mallory Pointe Owners Association, the exoneration of which results in a total refund due to Mallory Pointe VA, LLC in the amount of \$16,848.30.

**NOW THEREFORE**, the City Council of the City of Hampton, Virginia directs the Treasurer to refund to Mallory Pointe VA, LLC the total sum of \$16,848.30.