

**Ordinance No. 2025-557**

**AN ORDINANCE TO AMEND THE CITY OF NEW CASTLE  
MUNICIPAL CODE REGARDING THE DISABILITY PROPERTY TAX  
EXEMPTION**

**WHEREAS**, the Council of the City of New Castle (“City Council”) possesses the authority to adopt, amend, modify, or repeal the City of New Castle Municipal Code (“City Code”); and

**WHEREAS**, the City of New Castle recognizes the burden real property taxes may have on disabled citizens who are often on a fixed income; and

**WHEREAS**, the existing property tax exemption for disabled citizens has not been adjusted since 2007; and

**WHEREAS**, the City Council finds that a moderate adjustment to the real property tax exemption for residents with disabilities in the City of New Castle is prudent and appropriate and in the best interest of the City and its residents.

**NOW, THEREFORE**, making the express finding that the provisions of this Ordinance enhance and promote the health, safety, and welfare of the City of New Castle, be it ordained by the Council of the City of New Castle Council as follows:

**SECTION 1:** City Code Chapter 221, Taxation, Article III Disabled Persons Exemption, Section 221-11, Conditions for exemption on real property tax, is hereby amended as follows (with new language identified in bold, underlined and deleted text shown by bold, strikethrough text):

**§ 221-1 Conditions for exemption on real property tax.**

- A. Every resident who is disabled as defined by § 221-10 and who has become disabled prior to July 1 of the fiscal year for which the exemption is sought and who or whose spouse resides in a house owned by him/her, which is his/her principal residence, shall be entitled to an

exemption from all real property taxes, exclusive of any local sewer and ditch taxes, to an assessed valuation on said residence and land annexed thereto not exceeding \$32,000, provided that his/her income does not exceed ~~\$25,000~~ \$15,000 per year or, where he/she has a spouse who either lives with him/her or in his/her principal residence or because of mental or physical infirmity lives in a health care facility, the combined income of the two of them does not exceed ~~\$40,000~~ \$30,000 per year.

**B. This amount shall be adjusted annually based on the Cost of Living Adjustment COLA as provided by the Social Security Administration.**

C. No person shall be entitled to exemption from taxation unless he/she shall have made written application therefor prior to September 1, 2025 for the fiscal year July 1, 2025, to June 30, 2026, and prior to May 1 of each subsequent year for the fiscal year beginning on the following July 1.

D. The Council of The Mayor and Council of New Castle may by resolution prescribe forms upon which application for exemption from taxation under this article shall be made.

**SECTION 2:** If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be unconstitutional or invalid, such decisions shall not affect the validity of the remaining portions of this Ordinance.

**SECTION 3:** In the event any existing Ordinances or parts of Ordinances are in conflict herewith, the provisions of this Ordinance shall control.

**SECTION 4:** This Ordinance shall become effective immediately upon its adoption and approval and the deadline for application for the tax relief is extended to September 1, 2025.

First Reading

Second Reading

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2025

\_\_\_\_\_

\_\_\_\_\_, President of City Council

Attest: \_\_\_\_\_, City Clerk

Approved: \_\_\_\_\_, Mayor