

CS FOR HOUSE BILL NO. 185(CRA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

Offered: 3/24/95
Referred: Finance

Sponsor(s): REPRESENTATIVE IVAN

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to exemptions from municipal property taxes for certain
2 principal residences; relating to the determination of full and true value of taxable
3 property in a municipality; and providing for an effective date."

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 * **Section 1.** AS 14.17.140(a) is amended to read:

6 (a) To determine the amount of local effort under AS 14.17.025 and to aid the
7 department and the legislature in planning, the Department of Community and
8 Regional Affairs, in consultation with the assessor for each district, shall determine the
9 full value of the taxable real and personal property in each city or borough district.
10 If there is no local assessor or current local assessment for a district, then the
11 Department of Community and Regional Affairs shall make the determination of full
12 value from information available. In making the determination, the Department of
13 Community and Regional Affairs shall be guided by AS 29.45.110. **However, the**
14 **value of property exempted under AS 29.45.050(i) up to \$150,000 may not be**

1 **included in the determination.** The determination of full value shall be made by
2 October 1 and sent by certified mail, return receipt requested, on or before that date
3 to the president of the school board in each district. Duplicate copies shall be sent to
4 the commissioner. The governing body of a borough or city that is a school district
5 may obtain judicial review of the determination. The superior court may modify the
6 determination of the Department of Community and Regional Affairs only upon a
7 finding of abuse of discretion or upon a finding that there is no substantial evidence
8 to support the determination.

9 * **Sec. 2.** AS 29.45.030(e) is amended to read:

10 (e) The real property owned and occupied as the primary residence and
11 permanent place of abode by a (1) resident 65 years of age or older; (2) disabled
12 veteran; [OR] (3) resident at least 60 years old who is the widow or widower of a
13 person who qualified for an exemption under (1) [OR (2)] of this subsection; **or (4)**
14 **resident at least 60 years old who is the widow or widower of a person who**
15 **qualified for an exemption under (2) of this subsection,** is exempt from taxation.
16 **The exemption for an individual who qualifies under (1) or (3) of this subsection**
17 **is limited to the first \$75,000 of the assessed value of the real property. The**
18 **exemption for an individual who qualifies under (2) or (4) of this subsection is**
19 **limited to** [ON] the first \$150,000 of the assessed value of the real property. A
20 municipality may, in case of hardship **and in accordance with regulations of the**
21 **department,** provide for exemption [BEYOND THE FIRST \$150,000] of assessed
22 value **beyond the limits set in this subsection** [IN ACCORDANCE WITH
23 REGULATIONS OF THE DEPARTMENT]. Only one exemption may be granted for
24 the same property and, if two or more persons are eligible for an exemption for the
25 same property, the parties shall decide between or among themselves who is to receive
26 the benefit of the exemption. Real property may not be exempted under this
27 subsection if the assessor determines, after notice and hearing to the parties, that the
28 property was conveyed to the applicant primarily for the purpose of obtaining the
29 exemption. The determination of the assessor may be appealed under AS 44.62.560 -
30 44.62.570.

31 * **Sec. 3.** AS 29.45.050(i) is amended to read:

1 (i) A municipality may by ordinance [APPROVED BY THE VOTERS]
2 exempt from taxation the assessed value of real property that exceeds the limits set
3 under AS 29.45.030(e) if the [\$150,000 OF REAL] property is owned by an
4 individual who qualifies for an exemption under AS 29.45.030(e) [AND
5 OCCUPIED AS A PERMANENT PLACE OF ABODE BY A RESIDENT WHO IS
6 (1) 65 YEARS OF AGE OR OLDER;
7 (2) A DISABLED VETERAN, INCLUDING A PERSON WHO WAS
8 DISABLED IN THE LINE OF DUTY WHILE SERVING IN THE ALASKA
9 TERRITORIAL GUARD; OR
10 (3) AT LEAST 60 YEARS OLD AND A WIDOW OR WIDOWER
11 OF A PERSON WHO QUALIFIED FOR AN EXEMPTION UNDER (1) OR (2) OF
12 THIS SUBSECTION].

13 * **Sec. 4.** This Act takes effect January 1, 1996.