

CS FOR SENATE BILL NO. 267(CRA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - SECOND SESSION

BY THE SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

Offered: 4/1/04

Referred: Finance

Sponsor(s): SENATOR WILKEN

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the mandatory exemption from taxation of real property used as the**
2 **primary residence of the widow or widower of a resident 65 years of age or older and the**
3 **widow or widower of a disabled veteran, to eligibility for tax equivalency payments for a**
4 **widow or widower of a resident 65 years of age or older and for a widow or widower of a**
5 **disabled veteran, and to tax exemptions that may be optionally allowed by**
6 **municipalities to those widows and widowers."**

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

8 * **Section 1.** AS 29.45.030(e) is amended to read:

9 (e) The real property owned and occupied as the primary residence and
10 permanent place of abode by a (1) resident 65 years of age or older; (2) disabled
11 veteran; or (3) resident [AT LEAST 60 YEARS OLD] who is the widow or widower
12 of a person who qualified for an exemption under (1) or (2) of this subsection **and has**
13 **not remarried**, is exempt from taxation on the first \$150,000 of the assessed value of

1 the real property. **However, a municipality that levied a tax on real property**
 2 **before January 1, 2005, may by ordinance, instead of providing the exemption in**
 3 **(3) of this subsection, exempt a widow or widower of a person who qualified for**
 4 **an exemption under (1) or (2) of this subsection and who is at least 60 years of**
 5 **age, regardless of whether that individual has remarried.** A municipality may, in
 6 case of hardship, provide for exemption beyond the first \$150,000 of assessed value in
 7 accordance with regulations of the department. Only one exemption may be granted
 8 for the same property and, if two or more persons are eligible for an exemption for the
 9 same property, the parties shall decide between or among themselves who is to receive
 10 the benefit of the exemption. Real property may not be exempted under this
 11 subsection if the assessor determines, after notice and hearing to the parties, that the
 12 property was conveyed to the applicant primarily for the purpose of obtaining the
 13 exemption. The determination of the assessor may be appealed under AS 44.62.560 -
 14 44.62.570.

15 * **Sec. 2.** AS 29.45.040(a) is amended to read:

16 (a) A resident of the state who rents a permanent place of abode is eligible for
 17 a tax equivalency payment from the state through the department if the resident is [:]

18 (1) [AT LEAST] 65 years **of age or older** [OLD];

19 (2) a disabled veteran; or

20 (3) [AT LEAST 60 YEARS OLD AND] the widow or widower of a
 21 person who was eligible for payment under (1) or (2) of this subsection **and has not**
 22 **remarried.**

23 * **Sec. 3.** AS 29.45.040 is amended by adding a new subsection to read:

24 (g) Notwithstanding (a)(3) of this section, a widow or widower of a person
 25 who qualified for a payment under (a)(1) or (2) of this section is eligible for a tax
 26 equivalency payment under this section if the widow or widower

27 (1) is at least 60 years of age; and

28 (2) resides in a municipality that levied a tax on real property before
 29 January 1, 2005, and that has elected under AS 29.45.030(e) to exempt from property
 30 tax the real property owned and occupied as the primary residence and permanent
 31 place of abode of a widow or widower of a person who qualified for an exemption

1 under AS 29.45.030(e)(1) or (2) and who is at least 60 years of age, regardless of
2 whether that individual has remarried.

3 * **Sec. 4.** AS 29.45.050(i) is amended to read:

4 (i) A municipality may by ordinance approved by the voters exempt from
5 taxation the assessed value that exceeds \$150,000 of real property owned and
6 occupied as a permanent place of abode by a resident who is

7 (1) 65 years of age or older;

8 (2) a disabled veteran, including a person who was disabled in the line
9 of duty while serving in the Alaska Territorial Guard; [OR]

10 (3) [AT LEAST 60 YEARS OLD AND] a widow or widower of a
11 person who qualified for an exemption under (1) or (2) of this subsection **and has not**
12 **remarried; or**

13 **(4) a widow or widower of a person who qualified for an**
14 **exemption under (1) or (2) of this subsection, who is at least 60 years of age,**
15 **regardless of whether that individual has remarried, and who is entitled to the**
16 **\$150,000 exemption under AS 29.45.030(e) and municipal law.**