

CS FOR HOUSE BILL NO. 299(CRA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - SECOND SESSION

BY THE HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

Offered: 4/21/06

Referred: State Affairs

Sponsor(s): REPRESENTATIVES KOHRING, Lynn, Kerttula

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to and increasing the municipal property tax exemption on residences**
2 **of certain seniors and others; and providing for an effective date."**

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

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

5 (e) The real property owned and occupied as the primary residence and
6 permanent place of abode by a [(1)] resident **who meets the eligibility requirements**
7 **[65 YEARS OF AGE OR OLDER; (2) DISABLED VETERAN; OR (3) RESIDENT**
8 **AT LEAST 60 YEARS OLD WHO IS THE WIDOW OR WIDOWER OF A**
9 **PERSON WHO QUALIFIED FOR AN EXEMPTION UNDER (1) OR (2)]** of this
10 subsection, is exempt from taxation on the [FIRST \$150,000 OF THE] assessed value
11 of the real property, **or a portion of it, as provided in this subsection.** A
12 municipality may, in case of hardship, **include in the** [PROVIDE FOR] exemption
13 **additional** [BEYOND THE FIRST \$150,000 OF] assessed value in accordance with
14 regulations of the department. Only one exemption **under this subsection** may be

1 granted for the same property, and, if two or more persons are eligible for an
 2 exemption for the same property, the parties shall decide between or among
 3 themselves who is to receive the benefit of the exemption. Real property may not be
 4 exempted under this subsection if the assessor determines, after notice and hearing to
 5 the parties, that the property was conveyed to the applicant primarily for the purpose
 6 of obtaining the exemption. The determination of the assessor may be appealed under
 7 AS 44.62.560 - 44.62.570. **Unless increased because of hardship, the exemption is**
 8 **available in the following amounts to the following residents:**

9 **(1) a disabled veteran - the first \$250,000 of the assessed value;**

10 **(2) a resident 60 years of age or older who is the widow or widower**
 11 **of a person who qualified for an exemption under (1) of this subsection - the first**
 12 **\$250,000 of the assessed value;**

13 **(3) a resident 65 years of age or older with an income that meets**
 14 **the requirements of AS 47.45.320(a)(3) or, if it is repealed, former**
 15 **AS 47.45.320(a)(3) - the first \$250,000 of the assessed value;**

16 **(4) a resident 60 years of age or older with an income that meets**
 17 **the requirements of AS 47.45.320(a)(3) or, if it is repealed, former**
 18 **AS 47.45.320(a)(3) who is the widow or widower of a person who qualified for an**
 19 **exemption under (3) or (5) of this subsection - the first \$250,000 of the assessed**
 20 **value;**

21 **(5) a resident 65 years of age or older with an income that is more**
 22 **than that which meets the requirements of AS 47.45.320(a)(3) or, if it is repealed,**
 23 **former AS 47.45.320(a)(3) but not more than twice that which meets those**
 24 **requirements - the first \$150,000 of the assessed value;**

25 **(6) a resident 60 years of age or older with an income that is more**
 26 **than that which meets the requirements of AS 47.45.320(a)(3) or, if it is repealed,**
 27 **former AS 47.45.320(a)(3) but not more than twice that which meets those**
 28 **requirements who is the widow or widower of a person who qualified for an**
 29 **exemption under (3) or (5) of this subsection - the first \$150,000 of the assessed**
 30 **value.**

31 * Sec. 2. AS 29.45.050(i) is amended to read:

1 (i) **In addition to the exemption required under AS 29.45.030(e), a** [A]
 2 municipality may by ordinance approved by the voters exempt from taxation **all or a**
 3 **portion of** the assessed value [THAT EXCEEDS \$150,000] of real property owned
 4 and occupied as a permanent place of abode by a resident who is

5 (1) 65 years of age or older;

6 (2) a disabled veteran, including a person who was disabled in the line
 7 of duty while serving in the Alaska Territorial Guard; or

8 (3) at least 60 years old and a widow or widower of a person who
 9 qualified for an exemption under (1) or (2) of this subsection.

10 * **Sec. 3.** The uncodified law of the State of Alaska is amended by adding a new section to
 11 read:

12 APPLICABILITY. (a) AS 29.45.030(e), as amended by sec. 1 of this Act, first applies
 13 in 2007 and applies thereafter.

14 (b) Notwithstanding (a) of this section and AS 29.45.030(e), as amended by sec. 1 of
 15 this Act, a resident who was eligible for an exemption under AS 29.45.030(e) as it read before
 16 the effective date of this Act shall continue to be eligible for the exemption under
 17 AS 29.45.030(e) as it read before the effective date of this Act.

18 * **Sec. 4.** This Act takes effect January 1, 2007.