

SENATE BILL NO. 193

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - SECOND SESSION

BY SENATORS BUNDE, Dyson, Ellis

Introduced: 5/4/05

Referred: Community and Regional Affairs, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to an optional deferral of municipal property taxes on certain primary**
2 **residences owned and occupied by individuals with incomes at or below federal poverty**
3 **guidelines for the state."**

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

5 * **Section 1.** AS 29.45 is amended by adding a new section to read:

6 **Sec. 29.45.052. Tax deferral for primary residences.** (a) A municipality
7 may by ordinance provide for the deferral of all taxes on property that is owned, in
8 whole or in part, by an individual

9 (1) who occupies and has occupied the property for at least 10
10 consecutive years as the individual's primary residence; and

11 (2) whose income is at or below federal poverty guidelines for the state
12 set by the United States Department of Health and Human Services.

13 (b) An individual must apply for each year that a deferral is sought and supply
14 proof of eligibility for the deferral for that year in accordance with requirements set

1 out in the ordinance that authorizes the deferral. Taxes for a year that are deferred do
2 not become payable until ownership of the property is transferred from the individual
3 who obtained the deferral. A municipality that provides for a deferral of property
4 taxes under this subsection may not impose interest on the taxes deferred between the
5 time the deferral is granted and the time the taxes become payable.