

HOUSE BILL NO. 170

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVE FEIGE

Introduced: 2/23/11

Referred: Community and Regional Affairs, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to municipal property tax exemptions on residences of certain**
2 **volunteer emergency services personnel and the widows and widowers of volunteer**
3 **emergency services personnel; and providing for an effective date."**

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

5 * **Section 1.** AS 29.45.030(f) is amended to read:

6 (f) To be eligible for an exemption under (e) **or (o)** of this section for a year, a
7 municipality may by ordinance require that an individual also meet requirements
8 under one of the following paragraphs: (1) the individual shall be eligible for a
9 permanent fund dividend under AS 43.23.005 for that same year or for the
10 immediately preceding year; or (2) if the individual has not applied or does not apply
11 for one or both of the permanent fund dividends, the individual would have been
12 eligible for one of the permanent fund dividends identified in (1) of this subsection
13 had the individual applied. An exemption may not be granted under (e) **or (o)** of this
14 section except upon written application for the exemption. Each municipality shall, by

1 ordinance, establish procedures and deadlines for filing the application. The governing
 2 body of the municipality for good cause shown may waive the claimant's failure to
 3 make timely application for exemption and authorize the assessor to accept the
 4 application as if timely filed. If an application is filed within the required time and is
 5 approved by the assessor, the assessor shall allow an exemption in accordance with the
 6 provisions of (e) **or (o)** of this section. If the application for exemption is approved
 7 after taxes have been paid, the amount of tax that the claimant has already paid for the
 8 property exempted shall be refunded to the claimant. The assessor shall require proof
 9 in the form the assessor considers necessary of the right to and amount of an
 10 exemption claimed under (e) **or (o)** of this section, and shall require a disabled veteran
 11 claiming an exemption under (e) of this section to provide evidence of the disability
 12 rating. The assessor may require proof under this subsection at any time.

13 * **Sec. 2.** AS 29.45.030(g) is amended to read:

14 (g) The state shall reimburse a borough or city, as appropriate, for the real
 15 property tax revenues lost to it by the operation of (e) **and (o)** of this section.
 16 However, reimbursement may be made to a municipality for revenue lost to it only to
 17 the extent that the loss exceeds an exemption that was granted by the municipality, or
 18 that on proper application by an individual would have been granted under
 19 AS 29.45.050(a). If appropriations are not sufficient to fully fund reimbursements
 20 under this subsection, the amount available shall be distributed pro rata among eligible
 21 municipalities.

22 * **Sec. 3.** AS 29.45.030(h) is amended to read:

23 (h) Except as provided in (g) of this section, nothing in (e) - (j) **and (o)** of this
 24 section affects similar exemptions from property taxes granted by a municipality on
 25 September 10, 1972, or prevents a municipality from granting similar exemptions by
 26 ordinance as provided in AS 29.45.050.

27 * **Sec. 4.** AS 29.45.030(i) is amended to read:

28 (i) In (e) - (i) **and (o)** of this section,

29 (1) "disabled veteran" means a disabled person

30 (A) separated from the military service of the United States
 31 under a condition that is not dishonorable who is a resident of the state, whose

1 disability was incurred or aggravated in the line of duty in the military service
 2 of the United States, and whose disability has been rated as 50 percent or more
 3 by the branch of service in which that person served or by the United States
 4 Department of Veterans Affairs; or

5 (B) who served in the Alaska Territorial Guard, who is a
 6 resident of the state, whose disability was incurred or aggravated in the line of
 7 duty while serving in the Alaska Territorial Guard, and whose disability has
 8 been rated as 50 percent or more;

9 (2) "real property" includes but is not limited to mobile homes,
 10 whether classified as real or personal property for municipal tax purposes;

11 **(3) "volunteer" has the meaning given in AS 18.15.250.**

12 * **Sec. 5.** AS 29.45.030 is amended by adding a new subsection to read:

13 (o) Unless exempted under (e) of this section, the real property owned and
 14 occupied as the primary residence and permanent place of abode by a resident who
 15 serves as an active volunteer with a fire department or emergency medical or rescue
 16 services agency or who is the widow or widower of a person who was an active
 17 volunteer with a fire department or emergency medical or rescue services agency at
 18 the time of the person's death is exempt from taxation on the first \$200,000 of the
 19 assessed value of the real property. Only one exemption may be granted for the same
 20 property, and, if two or more persons are eligible for an exemption for the same
 21 property, the parties shall decide between or among themselves who is to receive the
 22 benefit of the exemption. Real property may not be exempted under this subsection if
 23 the assessor determines, after notice and hearing to the parties, that the property was
 24 conveyed to the applicant primarily for the purpose of obtaining the exemption. The
 25 determination of the assessor may be appealed under AS 44.62.560 and 44.62.570.

26 * **Sec. 6.** This Act takes effect January 1, 2012.