

SENATE BILL NO. 183

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-NINTH LEGISLATURE - SECOND SESSION

BY SENATOR WIELECHOWSKI

Introduced: 2/17/16

Referred: Community and Regional Affairs, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the municipal property tax exemption on the residence of a senior**
2 **and a widow or a widower of a senior or disabled veteran; and providing for an effective**
3 **date."**

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

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

6 (e) The real property owned and occupied as the primary residence and
7 permanent place of abode by a resident who is (1) 65 years of age or older; (2) a
8 disabled veteran; or (3) at least 60 years of age and the widow or widower of a person
9 who qualified for an exemption under (1) or (2) of this subsection is exempt from
10 taxation on the first \$150,000 of the assessed value of the real property. **A**
11 **municipality may prorate the exemption under (1) or (3) of this subsection for the**
12 **year the person reaches the qualifying age.** A municipality may by ordinance
13 approved by the voters grant the exemption under this subsection to the widow or
14 widower under 60 years of age of a person who qualified for an exemption under (2)

1 of this subsection or to a resident who is the widow or widower of a person who dies
 2 from a service-connected cause sustained while serving as a member of the United
 3 States armed forces or as a member of the National Guard. A municipality may, in
 4 case of hardship, provide for exemption beyond the first \$150,000 of assessed value in
 5 accordance with regulations of the department. Only one exemption may be granted
 6 for the same property, and, if two or more persons are eligible for an exemption for the
 7 same property, the parties shall decide between or among themselves who is to receive
 8 the benefit of the exemption. Real property may not be exempted under this subsection
 9 if the assessor determines, after notice and hearing to the parties, that the property was
 10 conveyed to the applicant primarily for the purpose of obtaining the exemption. The
 11 determination of the assessor may be appealed under AS 44.62.560 - 44.62.570. A
 12 municipality shall determine the eligibility requirements and application procedure for
 13 an optional exemption provided under this subsection. In this subsection, "widow or
 14 widower" means a person whose spouse has died and who has not remarried.

15 * **Sec. 2.** AS 29.45.030(f) is amended to read:

16 (f) To be eligible for an exemption under (e) of this section for a year **or a**
 17 **portion of a year**, a municipality may by ordinance require that an individual also
 18 meet requirements under one of the following paragraphs: (1) the individual shall be
 19 eligible for a permanent fund dividend under AS 43.23.005 for that same year or for
 20 the immediately preceding year; or (2) if the individual has not applied or does not
 21 apply for one or both of the permanent fund dividends, the individual would have been
 22 eligible for one of the permanent fund dividends identified in (1) of this subsection
 23 had the individual applied. An exemption may not be granted under (e) of this section
 24 except upon written application for the exemption. Each municipality shall, by
 25 ordinance, establish procedures and deadlines for filing the application. The governing
 26 body of the municipality for good cause shown may waive the claimant's failure to
 27 make timely application for exemption and authorize the assessor to accept the
 28 application as if timely filed. If an application is filed within the required time and is
 29 approved by the assessor, the assessor shall allow an exemption in accordance with the
 30 provisions of (e) of this section. If the application for exemption is approved after
 31 taxes have been paid, the amount of tax that the claimant has already paid for the

1 property exempted shall be refunded to the claimant. The assessor shall require proof
2 in the form the assessor considers necessary of the right to and amount of an
3 exemption claimed under (e) of this section, and shall require a disabled veteran
4 claiming an exemption under (e) of this section to provide evidence of the disability
5 rating. The assessor may require proof under this subsection at any time.

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

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

10 (1) 65 years of age or older; **a municipality may prorate the**
11 **exemption under this paragraph for the year the resident reaches 65 years of age;**

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

14 (3) at least 60 years old and a widow or widower of a person who
15 qualified for an exemption under (1) or (2) of this subsection; **a municipality may**
16 **prorate the exemption under this paragraph for the year the widow or widower**
17 **reaches 60 years of age.**

18 * **Sec. 4.** This Act takes effect January 1, 2017.