

Original sponsor: Fischer

Offered: 3/22/72
Referred: Rules

1 IN THE HOUSE

BY THE LOCAL GOVERNMENT COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 296

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act exempting from city and borough taxation the
7 real and personal property of certain residents
8 having limited incomes; and providing for an effec-
9 tive date,"

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

11 * Section 1. AS 29.10.336(a) is amended to read:

12 (a) Property owned by the city or the state; the real and
13 personal property of certain residents of the state to the extent and
14 subject to the conditions provided in (e) of this section; the house-
15 hold furniture of the head of a family or a householder not exceeding
16 \$500 in value; all property used exclusively for nonprofit religious,
17 charitable, cemetery, hospital, or educational purposes; the property
18 of an organization, not organized for business purposes, whose
19 membership is composed entirely of individuals with 90 days or more
20 of active service in the armed forces of the United States whose
21 conditions of service and separation were other than dishonorable, or
22 the property of the auxiliary of any such organization; and all money
23 on deposit are exempt from taxation.

24 * Sec. 2. AS 29.10.336 is amended by adding new subsections to read:

25 (e) The personal property of, and the real property owned and
26 occupied as a permanent place of abode by, a resident 65 years of
27 age or over whose annual net taxable income totals less than \$10,000
28 is exempt from taxation of the assessed value of the real and personal
29 property. Only one exemption may be granted with respect to the same property

1 and, if two or more persons are eligible for an exemption with respect
2 to the same property, the parties shall decide between or among them-
3 selves which shall receive the benefit of the exemption; however, in
4 the case of more than one party eligible for an exemption with respect
5 to the same property, the total combined annual net taxable income of
6 the parties may not exceed \$10,000. No real or personal property may
7 be exempted under this subsection which the assessor determines, after
8 notice and hearing to the parties concerned, has been conveyed to the
9 applicant primarily for the purpose of obtaining the exemption. The
10 determination of the assessor is appealable under AS 44.62.560 - 44.62.-
11 570.

12 (f) No exemption may be granted except upon written application
13 for the exemption upon a form prescribed by the state assessor for use
14 by local assessors. The claimant must file the application no later
15 than January 15 of the assessment year for which the exemption is
16 sought and must file a separate application for each assessment year
17 in which the exemption is sought. If an application is filed within the
18 required time and is approved by the assessor, he shall allow an exemp-
19 tion in accordance with the provisions of this section. The assessor
20 may at any time require proof in the form he considers necessary of
21 the right and amount of an exemption claimed under this section, and
22 in that respect may as one form of proof require authorization from
23 the taxpayer to verify income level by reference to income shown in
24 the latest state income tax return available for all or part of the
25 assessment year for which an exemption is sought.

26 (g) A person who does not own his own place of abode, or who
27 resides in a jurisdiction that does not levy a property tax on a
28 person's place of abode, but who meets the eligibility requirements as
29 to age and income for the tax exemption granted by (e) of this section,

1 shall receive a grant from the state of \$400 in lieu of the tax
2 exemption in (e) of this section. A person who owns his place of abode
3 and qualifies for the exemption in (e) of this section may elect to
4 receive the grant provided in this subsection instead of the tax
5 exemption under (e) of this section. Written application for the
6 grant under this subsection shall be made to the Department of Revenue
7 on forms prescribed by the commissioner. The commissioner of revenue
8 shall promulgate regulations necessary to carry out the provisions of
9 this subsection.

10 (h) The state shall reimburse a borough or city, as appropriate,
11 for the property tax revenues lost to it by the operation of (e) of
12 this section.

13 * Sec. 3. AS 07.12.200 is amended to read:

14 Sec. 07.12.200. LIMIT ON HOME RULE TAXING POWER. (a) AS 29.30.-
15 200, relating to the collection of penalties on property taxes and
16 interest on property and sales taxes, applies to home rule boroughs.

17 (b) AS 29.10.336(e) - (f), which limit home rule taxing power,
18 apply to home rule boroughs,

19 * Sec. 4. This Act takes effect January 1, 1973.
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