

Original sponsor: Gruening and Duncan

Offered: 4/17/75
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 272 am FCC

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to property tax equivalency payments
7 and exemptions for senior citizens."

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

9 * Section 1. AS 29.53.020(e) is amended to read:

10 (e) [AFTER JANUARY 1, 1973] The [THE] real property owned and
11 occupied as a permanent place of abode by a resident 65 years of age or
12 over is exempt from taxation of the assessed value of the real property
13 [.] up to and including an assessed value limit determined no later than
14 January 15 of each year by the commissioner of the Department of Com-
15 munity and Regional Affairs. The assessed value limit is the upper
16 limit of the third quartile class in a frequency distribution of
17 previous year assessed values in the State. Only one exemption may be
18 granted with respect to the same property and, if two or more persons
19 are eligible for an exemption with respect to the same property, the
20 parties shall decide between or among themselves which shall receive the
21 benefit of the exemption. No real property may be exempted under this
22 subsection which the assessor determines, after notice and hearing to
23 the parties concerned, has been conveyed to the applicant primarily for
24 the purpose of obtaining the exemption. The determination of the
25 assessor is appealable under AS 44.62.560-44.62.570.

26 * Section 2. AS 29.73 is amended by adding a new section to read:

27 Sec. 29.73.060. PROPERTY TAX EQUIVALENCY PAYMENTS. (a) A resi-
28 dent of the state 65 years of age or older who rents a permanent place
29 of abode is eligible for tax equivalency payments from the state through

1 the Department of Community and Regional Affairs.

2 (b) For purposes of determining payments to eligible persons, the
3 department shall calculate a property tax equivalent percentage for each
4 home rule or general law municipality, which levies a general property
5 tax, at the rate of 1/2 per cent per mil. This percentage applied to
6 the annual rent charged to the applicant or \$375, whichever is less,
7 is the property tax equivalency payment.

8 (c) To obtain tax equivalency payments the eligible resident must
9 apply to the department for payment for the preceding year by January 15
10 of each year on forms and in the manner prescribed by the department.
11 Each applicant shall submit with the application rental receipts or, if
12 rental receipts are not available, other evidence satisfactory to the
13 department for determination of the fact of payment of rent and the
14 amount paid.

15 (d) If two or more persons occupy a residence as tenants, not all
16 of whom are eligible for tax equivalency payments under this section,
17 the assessor shall determine equitable partial payments to be made to
18 the eligible tenants. However, tax equivalency payments to an eligible
19 applicant may not be reduced because the spouse is less than 65 years of
20 age. If all occupants in a residence are eligible for tax equivalency
21 payments under this section, the occupants shall decide between and
22 among themselves which shall receive payment.
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