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Referred: Finance

Original sponsors: Furnace, Barnes,  
Grussendorf, et al

1 IN THE HOUSE

BY THE COMMUNITY AND REGIONAL  
AFFAIRS COMMITTEE

2

CS FOR HOUSE BILL NO. 31 (C&RA)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

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For an Act entitled: "An Act providing for exemption of the residence of a

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disabled veteran from levy and collection of real

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property taxes; and providing for an effective date."

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

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\* Section 1. AS 29.53.020(e) is repealed and reenacted to read:

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(e) The real property owned and occupied as a permanent place of

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abode of a person described in this subsection is exempt from taxation

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of the assessed value of the real property as indicated in this sub-

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section. Only one exemption may be granted for the same property,

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and, if two or more persons are eligible for an exemption for the same

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property, the parties shall decide between or among themselves which

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receive the benefit of the exemption. Real property may not be ex-

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empted under this subsection if the assessor determines, after notice

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and hearing to the parties concerned, that the property was conveyed

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to the applicant primarily for the purpose of obtaining the exemption.

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The determination of the assessor may be appealed under AS 44.62.560 -

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44.62.570. An exemption under this subsection shall be allowed

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(1) to a resident of the state 65 years of age or older for

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the entire assessed value of the real property; or

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(2) to a disabled veteran for a percentage of the assessed

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value of the real property that is the same as the percentage of dis-

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ability as established by the service disability rating of the vet-

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eran.

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\* Sec. 2. AS 29.53.020(f) is amended to read:

1 (f) No exemption may be granted except upon written application  
2 for the exemption on a form prescribed by the state assessor for use  
3 by local assessors. The claimant must file the application no later  
4 than January 15 of the assessment year for which the exemption is  
5 sought, but during the same year the governing body of the municipali-  
6 ty for good cause shown may waive the claimant's failure to make  
7 timely application for the exemption for that year and authorize the  
8 assessor to accept the application as if timely filed. The claimant  
9 must file a separate application for each assessment year in which the  
10 exemption is sought. If an application is filed within the required  
11 time and is approved by the assessor, the assessor [HE] shall allow an  
12 exemption in accordance with the provisions of this section. If a  
13 claimant whose failure to file by January 15 of the assessment year  
14 has been waived as provided in this subsection and the application for  
15 exemption is approved, the amount of tax that [WHICH] the claimant may  
16 have already paid for the assessment year with respect to the property  
17 exempted shall be refunded to the claimant [HIM]. The assessor shall  
18 [MAY AT ANY TIME] require proof in the form the assessor [HE] con-  
19 siders necessary of the right to and amount of an exemption claimed  
20 under this section, and shall require a disabled veteran claiming an  
21 exemption under (e) of this section to provide evidence of the dis-  
22 ability rating. The assessor may require proof under this section at  
23 any time.

24 \* Sec. 3. AS 29.53.020(i) is repealed and reenacted to read:

25 (i) In (e) - (i) of this section,

26 (1) "disabled veteran" means a disabled person separated  
27 from the military service of the United States under a condition that  
28 is not dishonorable who is a resident of the state, whose disability  
29 was incurred or aggravated in the line of duty in the military service

1 of the United States, and whose disability has been rated as 50  
2 percent or more by the branch of service in which that person served  
3 or by the Veterans' Administration;

4 (2) "real property" includes but is not limited to mobile  
5 homes, whether classified as real or personal property for municipal  
6 tax purposes.

7 \* Sec. 4. AS 29.73.060 is amended to read:

8 Sec. 29.73.060. PROPERTY TAX EQUIVALENCY PAYMENTS. (a) A  
9 resident of the state 65 years of age or older or a disabled veteran  
10 who rents a permanent place of abode is eligible for tax equivalency  
11 payments from the state through the Department of Community and Re-  
12 gional Affairs.

13 (b) For purposes of determining payments to eligible persons,  
14 the department shall calculate at the rate of one percent per mil a  
15 property tax equivalent percentage for each home rule or general law  
16 municipality that [WHICH] levies a general property tax [AT THE RATE  
17 OF ONE PERCENT PER MIL]. The property tax equivalent percentage  
18 applied to the annual rent charged to the applicant equals the proper-  
19 ty tax equivalency rate and equals the payment payable under this  
20 section to a resident 65 years of age or older. The payment payable  
21 to a disabled veteran under this section is a percentage of the prop-  
22 erty tax equivalency rate that is the same as the percentage of dis-  
23 ability established by the service disability rating of the veteran.  
24 The payment payable to a disabled veteran who is 65 years of age or  
25 older equals the amount payable to a resident 65 years of age or  
26 older.

27 (c) To obtain a tax equivalency payment [PAYMENTS] the eligible  
28 resident must apply to the department for payment for the preceding  
29 year by January 15 of each year on forms and in the manner prescribed

1 by the department. The department for good cause shown may waive an  
2 applicant's failure to make timely application for a tax equivalency  
3 payment and accept the application as if timely filed. Each applicant  
4 shall submit with the application rental receipts or, if rental re-  
5 cepts are not available, other evidence satisfactory to the depart-  
6 ment for determination of the fact of payment of rent and the amount  
7 paid. A disabled veteran shall submit with the application evidence  
8 of the disability rating.

9 (d) If two or more persons occupy a residence as tenants, not  
10 all of whom are eligible for tax equivalency payments under this  
11 section, the assessor shall determine equitable partial payments to be  
12 made to the eligible tenants. However, tax equivalency payments to an  
13 eligible applicant may not be reduced because the spouse is less than  
14 65 years of age or is not a disabled veteran. If all occupants in a  
15 residence are eligible for tax equivalency payments under this sec-  
16 tion, the occupants shall decide between and among themselves which  
17 shall receive payment.

18 (e) In this section "disabled veteran" means a disabled person  
19 separated from the military service of the United States under a  
20 condition that is not dishonorable who is a resident of the state,  
21 whose disability was incurred or aggravated in the line of duty in the  
22 military service of the United States, and whose disability has been  
23 rated as 50 percent or more by the branch of service in which that  
24 person served or by the Veterans' Administration.

25 \* Sec. 5. This Act takes effect January 1, 1984.