

Offered: 2/11/86  
Referred: Finance

Original sponsor: Rules/Governor

1 IN THE SENATE  
2 HOUSE CS FOR SENATE BILL NO. 113 (C&RA)  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 FOURTEENTH LEGISLATURE - SECOND SESSION  
5 A BILL  
6 For an Act entitled: "An Act relating to state and municipal tax exemp-  
7 tions; and providing for an effective date."  
8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:  
9 \* Section 1. AS 29.45.030(e) is amended to read:  
10 (e) The real property owned and occupied as the primary resi-  
11 dence and [A] permanent place of abode by a (1) resident 65 years of  
12 age or older [OVER]; (2) disabled veteran; or (3) resident at least 60  
13 years old who is the widow or widower of a person who qualified for an  
14 exemption under (1) or (2) of this subsection, is exempt from taxation  
15 on the first \$200,000 of the assessed value of the real property. A  
16 municipality may, in a case of hardship, provide for exemption beyond  
17 the first \$200,000 of assessed value in accordance with regulations of  
18 the department. Only one exemption may be granted for the same prop-  
19 erty and, if two or more persons are eligible for an exemption for the  
20 same property, the parties shall decide between or among themselves  
21 which is to [SHALL] receive the benefit of the exemption. Real prop-  
22 erty may not be exempted under this subsection if the assessor deter-  
23 mines, after notice and hearing to the parties [CONCERNED], that the  
24 property was conveyed to the applicant primarily for the purpose of  
25 obtaining the exemption. The determination of the assessor may be  
26 appealed under AS 44.62.560 - 44.62.570.  
27 \* Sec. 2. AS 29.45.030(j) is amended to read:  
28 (j) One motor vehicle per household owned by a resident 65 years  
29 of age or older on January 1 of the assessment year is exempt either

1 from taxation on its assessed value or from the registration tax under  
2 AS 28.10.431. Only one exemption may be granted for the same motor  
3 vehicle and, if two or more persons are eligible for an exemption for  
4 the same motor vehicle, the parties shall decide which is to receive  
5 the exemption. A motor vehicle that the assessor determines, after  
6 notice and hearing to the parties, has been conveyed to the applicant  
7 primarily for the purpose of obtaining the exemption may not be  
8 exempted under this subsection. An exemption may be granted under  
9 this subsection only upon written application on a form prescribed by  
10 the Department of Public Safety. The state shall reimburse a munici-  
11 pality for tax revenue [REVENUES] lost to it because of the exemption  
12 required by this subsection. Reimbursement to a municipality equals  
13 the amount of registration tax authorized under AS 28.10.431(b) for  
14 each vehicle exempted under this subsection. To the extent that a  
15 municipality exempts motor vehicles from taxation under AS 29.45.-  
16 050(b)(5) that would otherwise be exempt under this subsection, reim-  
17 bursement will not be made. If appropriations are inadequate to  
18 provide full reimbursement to each municipality entitled to reimburse-  
19 ment under this subsection, payments shall be prorated.

20 \* Sec. 3. AS 29.45.040(c) is amended to read:

21 (c) To obtain a tax equivalency payment the eligible resident  
22 must apply to the department for payment for the preceding year by  
23 January 15 of each year on forms and in the manner prescribed by the  
24 department. The department for good cause shown may waive an appli-  
25 cant's failure to make timely application for a tax equivalency pay-  
26 ment for the preceding year and accept the application as if timely  
27 filed. Each applicant shall submit with the application rental re-  
28 cepts or, if rental receipts are not available, other evidence satis-  
29 factory to the department for determination of the fact of payment of

- 1       rent and the amount paid. A disabled veteran shall submit with the  
2       application evidence of the disability rating.  
3       \* Sec. 4. AS 28.10.411(d) is repealed.  
4       \* Sec. 5. This Act takes effect January 1, 1987.