

Introduced: 3/23/89
Referred: Community & Regional
Affairs and Finance

6-1082A

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

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HOUSE BILL NO. 243

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IN THE LEGISLATURE OF THE STATE OF ALASKA

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SIXTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

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For an Act entitled: "An Act relating to an exemption from municipal
property taxation for certain primary residences; 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 29.45.030(k) is amended to read:

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(k) The department shall adopt regulations to implement the
provisions of [(g) AND] (j) of this section.

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* Sec. 2. AS 29.45.040(f) is amended to read:

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(f) In this section "disabled veteran" has the meaning given in
AS 29.45.052(d) [AS 29.45.030;].

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* Sec. 3. AS 29.45 is amended by adding a new section to read:

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Sec. 29.45.052. OPTIONAL EXEMPTION FOR CERTAIN PRIMARY RESI-
DENCES. (a) The real property owned and occupied as the primary
residence and permanent place of abode by a resident (1) 65 years of
age or older; (2) disabled veteran; or (3) at least 60 years old who
is the widow or widower of a person who qualified for an exemption
under (1) or (2) of this subsection, may by ordinance be exempted from
taxation on the first \$150,000 of the assessed value of the real
property. A municipality may, in case of hardship, provide for ex-
emption beyond the first \$150,000 of assessed value in accordance with
regulations of the department. Only one exemption may be granted for
the same property and, if two or more persons are eligible for an
exemption for the same property, the exemption may not be granted
unless the parties decide between or among themselves who is to

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1 receive the benefit of the exemption. Real property may not be ex-
2 empted under this subsection if the assessor determines, after notice
3 and hearing to the parties, that the property was conveyed to the
4 applicant primarily for the purpose of obtaining the exemption. The
5 determination of the assessor may be appealed to the superior court
6 under procedures set out in AS 44.62.560 - 44.62.570.

7 (b) An exemption may not be granted under (a) of this section
8 except upon written application for the exemption on a form approved
9 by the state assessor for use by local assessors. The claimant must
10 file the application no later than January 15, or a date provided by
11 ordinance that is not later than March 31, of the assessment year for
12 which the exemption is sought. The governing body of the municipality
13 for good cause shown may waive during a year the claimant's failure to
14 make timely application for exemption for that year and authorize the
15 assessor to accept the application as if timely filed. The claimant
16 must file a separate application for each assessment year in which the
17 exemption is sought. If an application is filed within the required
18 time and is approved by the assessor, the assessor shall allow an
19 exemption in accordance with the provisions of this section. If a
20 failure to file by January 15, or a date provided by ordinance that is
21 not later than March 31, of the assessment year has been waived as
22 provided in this subsection and the application for exemption is
23 approved, the amount of tax that the claimant has already paid for the
24 assessment year for the property exempted shall be refunded to the
25 claimant. The assessor shall require proof in the form the assessor
26 considers necessary of the right to and amount of an exemption claimed
27 under (a) of this section, and shall require a disabled veteran claim-
28 ing an exemption under (a) of this section to provide evidence of the
29 disability rating. The assessor may require proof under this section

1 at any time.

2 (c) The state shall reimburse a municipality for the real
3 property tax revenues lost to it by the operation of (a) of this
4 section. However, reimbursement will be made to a municipality for
5 revenue lost to it only to the extent that the loss exceeds an ex-
6 emption that was granted by the municipality, or that on proper appli-
7 cation by an individual would have been granted under AS 29.45.050(a).
8 If appropriations are not sufficient to fully fund reimbursements
9 under this subsection, the amount available shall be distributed pro
10 rata among eligible municipalities.

11 (d) In this section

12 (1) "disabled veteran" means a disabled person separated
13 from the military service of the United States under a condition that
14 is not dishonorable, whose disability was incurred or aggravated in
15 the line of duty in the military service of the United States, and
16 whose disability has been rated as 50 percent or more by the branch of
17 service in which that person served or by the Veterans' Administra-
18 tion;

19 (2) "real property" includes mobile homes, whether classi-
20 fied as real or personal property for municipal tax purposes.

21 * Sec. 4. AS 29.45.030(a)(6), 29.45.030(e), 29.45.030(f), 29.45.030(g),
22 29.45.030(h), and 29.45.030(i) are repealed.

23 * Sec. 5. This Act takes effect January 1, 1990.