

Offered: 3/7/90
Referred: Finance

6-1082J

Original sponsor(s): Finance Committee

1 IN THE HOUSE BY THE C&RA COMMITTEE

2 CS FOR HOUSE BILL NO. 243 (C&RA)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to reimbursement for, exemption
7 from, and deferral of municipal property taxes for
8 certain primary residences; and providing for an
9 effective date."

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

11 * Section 1. AS 29.45.030(k) is amended to read:

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

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

15 (f) In this section "disabled veteran" has the meaning given in
16 AS 29.45.042(g) [AS 29.45.030(i)].

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

18 Sec. 29.45.042. PROPERTY TAX REIMBURSEMENT PAYMENTS. (a) A
19 resident of the state who owns a permanent place of abode in a munic-
20 ipality and occupies it as the primary residence is eligible for a
21 property tax reimbursement payment from the department if the resident
22 is

23 (1) at least 65 years old;

24 (2) a disabled veteran; or

25 (3) at least 60 years old and the widow or widower of a
26 person who was eligible for payment under (1) or (2) of this subsec-
27 tion or for an exemption under former AS 29.45.030(e).

28 (b) A reimbursement payment may only be made for taxation on the
29 first \$150,000 of the assessed value of the real property. Only one

1 payment may be granted for the same property each year and, if two or
2 more persons are eligible for a payment for the same property, the
3 payment may not be granted unless the parties decide between or among
4 themselves who is to receive it. A reimbursement payment may not be
5 made unless the municipal assessor determines that the applicant is
6 eligible for the payment. A reimbursement payment may not be made if
7 the municipal assessor determines, after notice and hearing to the
8 parties, that the property was conveyed to the applicant primarily for
9 the purpose of obtaining the payment. A determination of the municipi-
10 pal assessor may be appealed to the superior court under procedures
11 set out in AS 44.62.560 - 44.62.570.

12 (c) A reimbursement payment may not be made except upon written
13 application for the payment on a form and in the manner prescribed by
14 the department. The applicant must file the application with the
15 municipality no later than January 15 of the assessment year for which
16 the payment is sought. The municipality for good cause shown may
17 waive an applicant's failure to make timely application for that year
18 and accept the application as if timely filed if it is received by
19 March 31. The applicant must file a separate application for each
20 assessment year for which the payment is sought. If an application is
21 filed within the required time and is approved by the municipal asses-
22 sor, the department shall approve the payment. The municipal assessor
23 shall require proof in the form the assessor considers necessary of
24 the right to and amount of a reimbursement payment claimed under this
25 section, and shall require a disabled veteran claiming a payment to
26 provide evidence of the disability rating. The assessor may require
27 proof under this section at any time.

28 (d) Reimbursement payments under this section shall be made from
29 appropriations to the department for that purpose. If appropriations

1 are not sufficient to fully fund payments, the amount available shall
2 be distributed pro rata among eligible applicants.

3 (e) If the municipal assessor determines that an individual is
4 eligible for a reimbursement payment under (b) of this section, that
5 portion of taxes for which the individual is eligible for reimburse-
6 ment is not due until 30 days after the reimbursement payment is
7 issued by the department. A deferral may not be granted under this
8 subsection unless the individual applies for the deferral and assigns
9 the reimbursement payment to the municipality at the time of applica-
10 tion.

11 (f) In cases of hardship, the municipality may by ordinance
12 provide for an exemption from taxes for property for which a reim-
13 bursement payment is granted. The exemption may apply only to that
14 portion of the taxes for which no reimbursement payment is issued. If
15 standards for determining hardship are not adopted by ordinance, the
16 exemption under this subsection may be granted only in accordance with
17 regulations of the department for determining hardship. The value of
18 property exempt under this subsection may not be used by the depart-
19 ment in determining the full value of the taxable property within that
20 municipality under AS 14.17.140.

21 (g) In this section

22 (1) "disabled veteran" means a disabled person separated
23 from the military service of the United States under a condition that
24 is not dishonorable, whose disability was incurred or aggravated in
25 the line of duty in the military service of the United States, and
26 whose disability has been rated as 50 percent or more by the branch of
27 service in which that person served or by the Veterans' Administra-
28 tion;

29 (2) "real property" includes mobile homes, whether

1 classified as real or personal property for municipal tax purposes.

2 * Sec. 4. AS 29.45.030(a)(6), 29.45.030(e), 29.45.030(f), 29.45.030(g),
3 29.45.030(h), and 29.45.030(i) are repealed.

4 * Sec. 5. This Act takes effect January 1, 1991.