

HOUSE BILL NO. 365

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - SECOND SESSION

BY REPRESENTATIVE TAYLOR BY REQUEST

Introduced: 1/13/92

Referred: Community & Regional Affairs, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to municipal tax exemptions for certain residences and to property tax
2 equivalency payments for certain residences; and providing for an effective date."

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

4 * Section 1. AS 29.45.030(e) is amended to read:

5 (e) The real property or a boat owned and occupied as the primary residence and
6 permanent place of abode by a (1) resident 65 years of age or older; (2) disabled veteran; or (3)
7 resident at least 60 years old who is the widow or widower of a person who qualified for an
8 exemption under (1) or (2) of this subsection, is exempt from taxation on the first \$150,000 of
9 the assessed value of the [REAL] property. A municipality may, in case of hardship, provide for
10 exemption beyond the first \$150,000 of assessed value in accordance with regulations of the
11 department. Only one exemption may be granted for the same property and, if two or more
12 persons are eligible for an exemption for the same property, the parties shall decide between or
13 among themselves who is to receive the benefit of the exemption. Only one place of abode in
14 the state may be claimed by an applicant as that applicant's primary residence for a

1 calendar year. Property [REAL PROPERTY] may not be exempted under this subsection if
2 the assessor determines, after notice and hearing to the parties, that the property was conveyed
3 to the applicant primarily for the purpose of obtaining the exemption. The determination of the
4 assessor may be appealed under AS 44.62.560 - 44.62.570.

5 * Sec. 2. AS 29.45.030(g) is amended to read:

6 (g) The state shall reimburse a borough or city, as appropriate, for the [REAL] property
7 tax revenues lost to it by the operation of (e) of this section. However, reimbursement will be
8 made to a municipality for revenue lost to it only to the extent that the loss exceeds an exemption
9 that was granted by the municipality, or that on proper application by an individual would have
10 been granted under AS 29.45.050(a). If appropriations are not sufficient to fully fund
11 reimbursements under this subsection, the amount available shall be distributed pro rata among
12 eligible municipalities.

13 * Sec. 3. AS 29.45.040(a) is amended to read:

14 (a) A resident of the state who rents real property, a mobile home, or a boat as a
15 primary residence and a permanent place of abode is eligible for a tax equivalency payment
16 from the state through the department if the resident is:

17 (1) at least 65 years old;

18 (2) a disabled veteran; or

19 (3) at least 60 years old and the widow or widower of a person who was eligible
20 for payment under (1) or (2) of this subsection.

21 * Sec. 4. AS 29.45.040(b) is amended to read:

22 (b) For purposes of determining the amount of a payment to an eligible applicant
23 [PERSON], the department shall calculate at the rate of one percent per mill a property tax
24 equivalent percentage based on the amount of real or personal property tax levied by the
25 municipality on the type of property that is rented as the primary residence and permanent
26 place of abode [FOR EACH MUNICIPALITY THAT LEVIES A PROPERTY TAX]. The
27 property tax equivalent percentage applied to the annual rent charged to the applicant equals the
28 property tax equivalency payment payable under this section. Only one place of abode in the
29 state may be claimed by an applicant as that applicant's primary residence for a calendar
30 year.

31 * Sec. 5. AS 29.45.050(i) is amended to read:

1 (i) A municipality may by ordinance approved by the voters exempt from taxation the
2 assessed value that exceeds \$150,000 of real property or a boat owned and occupied as a
3 permanent place of abode by a resident who is
4 (1) 65 years of age or older;
5 (2) a disabled veteran, including a person who was disabled in the line of duty
6 while serving in the Alaska Territorial Guard; or
7 (3) at least 60 years old and a widow or widower of a person who qualified for
8 an exemption under (1) or (2) of this subsection.
9 * Sec. 6. This Act takes effect January 1, 1993.