

**CS FOR SENATE BILL NO. 102(CRA)****IN THE LEGISLATURE OF THE STATE OF ALASKA****EIGHTEENTH LEGISLATURE - FIRST SESSION****BY THE SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE****Offered: 3/10/93**  
**Referred: FINANCE****Sponsor(s): SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR****A BILL****FOR AN ACT ENTITLED**

1 "An Act relating to municipal property tax exemptions for certain residences, to  
 2 property tax equivalency payments for certain residents, and to the determination  
 3 of full and true value of taxable property in a municipality; and providing for  
 4 an effective date."

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

6 \* Section 1. AS 14.17.140(a) is amended to read:

7 (a) To determine the amount of local effort under AS 14.17.025 and to aid the  
 8 department and the legislature in planning, the Department of Community and  
 9 Regional Affairs, in consultation with the assessor for each district, shall determine the  
 10 full value of the taxable real and personal property in each city or borough district.  
 11 If there is no local assessor or current local assessment for a district, then the  
 12 Department of Community and Regional Affairs shall make the determination of full  
 13 value from information available. In making the determination, the Department of  
 14 Community and Regional Affairs shall be guided by AS 29.45.110. However, the

1 value of property exempted under AS 29.45.052 may not be included in the  
2 determination. The determination of full value shall be made by October 1 and sent  
3 by certified mail, return receipt requested, on or before that date to the president of the  
4 school board in each district. Duplicate copies shall be sent to the commissioner. The  
5 governing body of a borough or city that is a school district may obtain judicial review  
6 of the determination. The superior court may modify the determination of the  
7 Department of Community and Regional Affairs only upon a finding of abuse of  
8 discretion or upon a finding that there is no substantial evidence to support the  
9 determination.

10 \* Sec. 2. AS 29.45.030(e) is amended to read:

11 (e) The real property owned and occupied as the primary residence and  
12 permanent place of abode by a resident who is (1) a [RESIDENT 65 YEARS OF  
13 AGE OR OLDER; (2)] disabled veteran; or (2) [(3) RESIDENT] at least 60 years old  
14 and [WHO IS] the widow or widower of a person who qualified for an exemption  
15 under (1) [OR (2)] of this subsection, is exempt from taxation on the first \$150,000  
16 of the assessed value of the real property. A municipality may, in case of hardship,  
17 provide for exemption beyond the first \$150,000 of assessed value in accordance with  
18 regulations of the department. Only one exemption may be granted for the same  
19 property and, if two or more persons are eligible for an exemption for the same  
20 property, the parties shall decide between or among themselves who is to receive the  
21 benefit of the exemption. Real property may not be exempted under this subsection  
22 if the assessor determines, after notice and hearing to the parties, that the property was  
23 conveyed to the applicant primarily for the purpose of obtaining the exemption. The  
24 determination of the assessor may be appealed under AS 44.62.560 - 44.62.570.

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

26 (a) A resident of the state who rents a permanent place of abode is eligible for  
27 a tax equivalency payment from the state through the department if the resident is:  
28 (1) [AT LEAST 65 YEARS OLD;  
29 (2)] a disabled veteran; or  
30 (2) [(3)] at least 60 years old and the widow or widower of a person  
31 who was eligible for payment under (1) [OR (2)] of this subsection.

1     • **Sec. 4.** AS 29.45.040(d) is amended to read:

2             (d) If two or more persons occupy a residence as tenants, not all of whom are  
3     eligible for a tax equivalency payment under this section, the assessor shall determine  
4     equitable partial payments to be made to the eligible tenants. However, a tax  
5     equivalency payment to an eligible applicant may not be reduced because the spouse  
6     [IS LESS THAN 65 YEARS OF AGE OR] is not a disabled veteran. If all occupants  
7     in a residence are eligible for a tax equivalency payment under this section, the  
8     occupants shall decide between and among themselves who [WHICH] shall receive  
9     payment.

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

11             (i) A municipality may by ordinance approved by the voters exempt from  
12     taxation the assessed value that exceeds \$150,000 of real property owned and occupied  
13     as a permanent place of abode by a resident who is

14                     (1) [65 YEARS OF AGE OR OLDER;

15                     (2)] a disabled veteran, including a person who was disabled in the line  
16     of duty while serving in the Alaska Territorial Guard; or

17                     (2) [(3)] at least 60 years old and a widow or widower of a person who  
18     qualified for an exemption under (1) [OR (2)] of this subsection.

19    • **Sec. 6.** AS 29.45 is amended by adding a new section to read:

20             **Sec. 29.45.052. OPTIONAL EXEMPTION FOR CERTAIN PRIMARY**  
21     **RESIDENCES.** (a) The real property owned and occupied as the primary residence  
22     and permanent place of abode by a resident who is (1) at least 65 years old; or (2) at  
23     least 60 years old and the widow or widower of a person who qualified for an  
24     exemption under (1) of this subsection, may by ordinance be exempted from taxation  
25     on all or part of the assessed value of the real property. The ordinance may base the  
26     exemption on hardship. Only one exemption may be granted for the same property,  
27     and if two or more persons are eligible for an exemption for the same property, the  
28     exemption may not be granted unless the parties decide between or among themselves  
29     who is to receive the benefit of the exemption. Real property may not be exempted  
30     under this subsection if the local assessor determines, after notice and hearing to the  
31     parties, that the property was conveyed to the applicant primarily for the purpose of

1 obtaining the exemption. The determination of the assessor may be appealed to the  
2 superior court under procedures set out in AS 44.62.560 - 44.62.570.

3 (b) In this section, "real property" includes mobile homes, whether classified  
4 as real or personal property for municipal tax purposes.

5 Sec. 7. This Act takes effect January 1, 1994.