

H/B - 227

"An Act relating to the senior citizens' municipal property tax exemption authorized under AS 29.53.020; and providing for an effective date."

COMMITTEE REPORT

2/27/75

HOUSE

FINANCE

Mr. Speaker:

Date 3-6-75

The Committee on C&RA has had HB 227

under consideration. A Majority of the members of the Committee

recommends it DO PASS

recommends it DO NOT PASS

recommends it DO PASS WITH ATTACHED AMENDMENT(S)

recommends it BE REPLACED WITH CS FOR _____ AND THAT

CS FOR _____ DO PASS

"and" recommends it BE REFERRED TO THE _____

COMMITTEE

reports it back WITHOUT RECOMMENDATION

"other"

Members signing the Majority report:

<u>[Signature]</u>	_____	_____
<u>[Signature]</u>	_____	_____
<u>[Signature]</u>	_____	_____
<u>[Signature]</u>	_____	_____

Members NOT concurring in the Majority report:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

[Signature] Chairman

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
March 6, 1975

Meeting was called to order by Chairman Cotten at 9:00 for discussion of HB 227 & CSSB127. Present were: Rep. Cotten; Rep. Ose; Rep. Davis; Rep. Freeman; Danny Plotnick, Office on Aging and Bob Dozier, State Assessor; Barbara Englert Thomas, Staff; Andrea Guernsey, Staff

941-Plotnick started by saying that his office was in favor of the bill if it was in concurrence with Community & Regional Affairs. He read a letter from someone who had missed the deadline—HB 227 would take care of that problem.

978-Dozier was also in favor of the bill. He thinks it should be flexible but still should have a deadline to make the administration of it a little easier. He made the suggestion that late filers should have a penalty of some sort. He gave a run down of the calendar and said the municipalities have the power to accept the application virtually any time of the year as it now reads in the bill. He would like to see a deadline.

1075-Rep. Ose asked why we had this every year. Dozier said the assessor had no way of knowing what the individual has been doing. Just a routine check up.

1101-Mr. Plotnick stated that the Office on Aging would have no objection to adding a deadline. Suggestion on line 27 after the word "him" add: provided that the application be received by X date.

1133-Ose, what is the first date that they can file? During any time, Dozier said.

1138-Freeman asked if the state reimburses and if the cut off date was a problem for the State. Dozier replied that yes the state did and no there was no problem. It wasn't any great problem and the cut off date was not absolutely necessary.

Cotten favors the bill but doesn't want it amended to provide for filing date. Ose made a motion to pass the bill out. All signed due pass.

CSSB 127

1271-Dozier said this bill adds to the senior citizens property tax exemption. There is a problem with the wording in a couple of places; doesn't say to whom amount of money will be paid, it should be specified- to the local government or to the State?

1359-Freeman wanted to know where the money to reimburse comes from and what guarantee there is. Dozier said it was in the budget. This program hasn't been submitted. A separate BRU. Suggested wording: line 19, new sentence: "payment by the owner shall be made to the State to the extent of its reimbursement for revenue lost under this section."

1442-Dozier also said there was a conflict in the definition of resident.

1474-Cotten questioned about water and sewer assessment. Aren't required by federal law to hook up to water. Why distinction between water and sewer, should be for both. Dozier also suggested there be a limit on the amount of land.

1550-Freeman-What is the fiscal note? \$100,000.

Meeting adjourned

end tape

STATE OF ALASKA

DEPT. OF HEALTH AND SOCIAL SERVICES

April 9, 1975

JAY S. HAMMOND, Governor

The Honorable Samuel R. Cotten
Alaska House of Representatives
Pouch V
State Capitol
Juneau, Alaska 99811

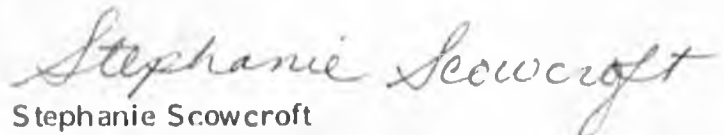
Dear Representative Cotten:

In December I wrote to ask your help in seeking out qualified applicants for the State's Senior Citizen Property Tax Exemption program (AS 29.53.020(e)). I am now writing to thank you for your help in disseminating information about the exemption and report that the program was a great success this year. In 1974, 1,887 applications were received. This year, participation jumped to about 2,475. As the statute covers residents 65 and over who own real property they occupy as a permanent abode, we feel, along with those we've spoken to in Community and Regional Affairs, that an extremely high percentage of those eligible for the exemption applied this year.

Our office has received a great response from senior citizens who've written to say how important the exemption has been to their budgets this year. In light of this response, passage of similar measures before the Legislature this session can do a great deal to ease the financial burden facing our state's elderly population. Your support is strongly urged and greatly appreciated particularly on bills affecting the finances of senior citizens on low and fixed incomes.

Thank you again for your help.

Sincerely,



Stephanie Scowcroft
Information Specialist
Office on Aging

SC: dt

KENAI PENINSULA BOROUGH

Box 850

Phone 262-4411

SOLDOTNA, ALASKA 99669

STAN THOMPSON
MAYOR

March 26, 1975

Mr. Bob Palmer
Executive Assistant
Office of the Governor
Pouch A
Juneau, Alaska 99811

Dear Bob:

I recently received a letter from Bob Dozier, State Assessor, in answer to the one I had sent to you concerning the acreage limitation of five acres which had been adopted for administration of the Senior Citizens Property Tax Exemption Program AS 29.53.020(e)-(i).

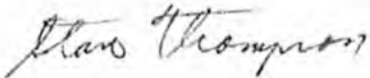
As we are all aware I believe at this point the statute does not limit to five acres the Senior Citizens Property Tax Exemption. This is done administratively.

Again, I reiterate, I see no reason to reject 155 acres of some Senior Citizens 160 acre home because of a five acre administratively placed living limitation when you could at the same time be giving a \$200,000 home exemption on a one acre piece of property. It should not be based on the amount of land but on the value thereof. Perhaps a \$100,000 valuation. It shouldn't make any difference whether it is 200 acres or a city lot. Your permanent place of abode is where you live and the property upon which you reside, and it does not make any difference whether it is one acre, one lot, or 100 acres, it still is your property, the property on which you reside. The recommendation limiting it to 20 acres, as suggested, in rural areas I do not believe is sufficient. Again, I feel it should be a limitation as to value and not to the amount of land. I can see no excuse for any land limitation. Anything that can be done to remove this limitation of acreage I think should be done at this time. My personal feeling is it should be a value limitation, say \$100,000 as an example, rather than a size limitation. Again, I will point out that \$100,000 home on a half acre lot has no more right for exemption than a \$10,000 home on 160 acre property where the whole thing being worth \$100,000.

Mr. Bob Palmer
March 26, 1975
Page 2

Please give us the benefit of your consideration.

Sincerely,



Stan Thompson
Borough Mayor

ST/tb

cc: Robert Dozier, State Assessor
Dept. of Community & Regional Affairs
Pouch B
Juneau, Alaska 99801

Samuel R. Cotten, Chairman
House Committee for Community & Regional Affairs

Senator Clem Tillion
Rep. Hugh Malone
Rep. Leo Rhode
Pouch Y
Juneau, Alaska 99801

HB 227

STATE OF ALASKA

DEPT. OF HEALTH AND SOCIAL SERVICES

OFFICE OF THE COMMISSIONER

JAY S. HAMMOND, Governor

Pouch H01, Juneau 99811

~~POUCH H01, JUNEAU 99811~~

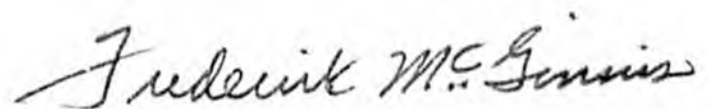
March 5, 1975

The Honorable Samuel R. Cotten
Chairman, House Community & Regional
Affairs Committee
Pouch V
Juneau, Alaska 99801

Dear Mr. Cotten:

Enclosed are this Department's position papers concerning HB 227 relating to senior citizen municipal tax exemption and CSSB 127 relating to municipal special water assessments.

Sincerely,



Frederick McGinnis
Deputy Commissioner

Enclosures

OFFICE ON AGING

POSITION REPORT

ON

CSSB #127

"An Act relating to municipal special assessments."

This act adds an entirely new section 29.63.065 specifically providing exemptions by residents 65 years or over in payment of special sewer assessments on their permanent abodes and special water assessment under this chapter if no water connection is made. When a person is exempted and then receives water connection from which he was exempted from special assessment or sells, or otherwise disposes of ownership of property, except to heir, he shall pay the special assessment from which he was initially exempted.

Resident is defined as a person who for 12 consecutive months has maintained a permanent place of abode in Alaska and has continually maintained his voting residence in the state. The eligibility, appeal, application, reimbursement and other provisions of AS 29.53.020(c) through (i) (contained in HB #227) apply to the exemption granted under this section.

The effect of this amendment is such that it will allow many pioneer Alaskans who own their own homes, and who do not necessarily want to have water connections, to be able to continue living in their own homes. If water connections are made to their homes, and they cannot afford the costs, they are exempt from payment, provided they continue living in their own homes and do not sell their home.

With no added cost to State Government, and possibly a minimum cost to the local political subdivision, this bill secures and maintains maximum independence and dignity in a home environment for older Alaskans capable of self care and helps to remove another economic cost affecting older Alaskans.

Aging supports the amendment and urges passage *provided Governor's Budget is not affected adversely*

Submitted By: *M. W. Blatnick* Coordinator
Aging office

March 5, 1975
Date

Approved By: *Frederick McGinnis*
Deputy Commissioner

March 5, 1975
Date

HB 2221

3/4

Comm. Williamson, H & SS

(who will notify Office of Admin) Plotnik

CRA, Bob Dozier, State Assessor

Municipal League

Sen. Tillion

Notified

Present

Testified

X

X

X

↓

X

X

X

X