

S B

190

Alaska State Legislature

Senator Paul A. Fischer
Senate District D
Box 784
Soldotna, Alaska 99669
(907) 262-9420 W
262-9269 H

White in Juneau

Pouch V
Juneau, Alaska 99811
(907) 465-3791

State Senate

March 18, 1985

Memorandum: Senate Bill 190 "An Act extending the residential property tax exemption and tax equivalency reimbursement payments to certain widows and widowers"

To: Senator Edna DeVries, Chairwoman
Community & Regional Affairs Committee

From: Senator Paul Fischer

Presently surviving spouses of both disabled veterans and residents 65 years of age or over are stripped of any property tax exemption or tax equivalency payment upon the death of their spouse. This deprivation is unpleasant news for a bereaved widow or widower to receive in addition to the recent loss of a loved one.

Senate Bill 190 would allow widows and widowers who are at least 60 years of age and who are surviving spouses of those who previously qualified for exemptions or payments to continue to receive them.

Salient features: Section 1. extends the tax exemption on owner occupied residential property presently enjoyed by residents 65 years of age or older and by disabled veterans to their surviving spouse if he or she is at least 60 years of age. Section 2. makes the same extension of benefit to renters eligible for tax equivalency payment where a real property tax is in force. Section 3. makes widows and widowers eligible to receive present benefits in locations where a sales tax is levied on rents paid for residential property. Section 4. provides that the act take effect at the beginning of Fiscal Year 1986 on July 1, 1985.

SECTIONAL ANALYSIS FOR SENATE BILL 190

An Act extending the residential property tax exemption and tax equivalency and reimbursement payments to certain widows and widowers

Section 1

Extends the property tax exemption currently given to senior citizens and disabled veterans to the widows and widowers (must be at least 60 years of age) of a person that was at least 65 years old or of a disabled veteran.

Section 2

Extends the tax equivalency payments for renters to the widows and widowers (must be at least 60 years old) of a person that was at least 65 years old or of a disabled veteran.

Section 3

Extends the reimbursement payment for renters in cities that do not levy a property tax but collect a sales tax on rents to the widows and widowers (must be at least 60 years old) of a person that was at least 65 years old or of a disabled veteran.

Section 4

Effective date of July 1, 1985.

The Senate Community and Regional Affairs Committee adopted an amendment which adds three new sections to the bill. All state that if sufficient funds are not available for reimbursement to municipalities or individuals, those funds shall be distributed pro rata.

In addition, the drafting attorney has recommended that the effective date of this bill be amended to January 1, 1986 because municipalities generally operate on a calendar year basis.

Finally, Senate Bill 190 originally had a \$31,900 fiscal note from the Department of Community and Regional Affairs. Last Friday, they deleted their request for a new clerk typist position, hence the fiscal note now amounts to \$5,000. That would be used to pay the increase in reimbursement claims.

STATE OF ALASKA
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY
LEGISLATIVE REFERENCE LIBRARY

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

May, 1988

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS database CMPR. In order to save space copies of minutes have not been left in the files.

Mary Van Nimwegen

H CEPA 4-24-85 3p.m.

BILL SHEFFIELD, GOVERNOR

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

March 18, 1985

POUCH B
JUNEAU, ALASKA 99811
PHONE: (907) 465-4700

949 E. 36TH AVENUE, SUITE 400
ANCHORAGE, ALASKA 99508
PHONE: (907) 563-1073

POSITION PAPER

RE: SB 190

SPONSORS: Senator P. Fischer, Senator Abood, and Senator Eliason

SB 190 allows for the widow/widower of a person who received: (1) A Property Tax Exemption or (2) A Tax Equivalency (Renter) payment to continue to receive the exemption, if the widow/widower is at least 60 years old or older.

ANALYSIS

The department supports the passage of this bill. We understand the hardship a widow/widower encounters, financially due to the loss of a spouse. We have introduced similar legislation in SB 137, Section 4, which would allow a surviving spouse, age 55 or older to continue receiving the property tax exemption.

In supporting this bill we would like to add an amendment which would address the funding problem. Due to the addition of disabled veterans (Chapter 40, SLA 84), increased numbers of senior citizens, statewide increases in both property taxes and rent's the money required to fully fund these programs has drastically increased. Therefore, we recommend including language which would allow the department to prorate payments in the event of future funding shortages.

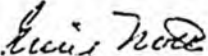
COST ANALYSIS

General fund costs are due to an increase in eligible applicants. This cost is estimated to be \$5,000 and will increase 10% annually due to inflation. Additional costs are attributed to the added position of a clerk typist.

HB 190
March 18, 1985
Page 2

IMPACT ON LOCAL GOVERNMENTS:

Additional work for the local assessor and staff will be required in verifying the eligibility of the widow/widower for this exemption.



Emil Notti, Commissioner

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: 4/12/85

REQUEST

Bill/Resolution No.: SB 190
 Title: Extending tax exemptions to certain widows & widowers
 Sponsor: P. Fischer, Abood, Eliason
 Requestor: _____
 Date of Request: _____

FISCAL DETAIL

Agency Affected: Community & Regional Affairs
 Program Category Affected: Senior Citizens/Disabled Veterans Tax Relief
 BRU, Program or Subprogram(s) Affected: Senior Citizens/Disabled Veterans Property Tax Exemption & Rentors Equivalency Rebate

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES	0					
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS	0	5.0	5.5	6.0	6.6	7.2
800 MISCELLANEOUS						
TOTAL OPERATING	0	5.0	5.5	6.0	6.6	7.2
CAPITAL	0					
REVENUE	0					

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	5.0	5.5	6.0	6.6	7.2
FEDERAL FUNDS						
OTHER						
TOTAL	0	5.0	5.5	6.0	6.6	7.2

POSITIONS:

FULL-TIME	0					
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

Position paper attached.

Prepared By: Michael Worley, State Assessor
 Division: Municipal and Regional Assistance

Phone: 465-4735

Date: 4/12/85

Approved by Commissioner: Emil Notti
 Agency: Community and Regional Affairs

Date: 4/12/85

Distribution (by Agency preparing fiscal note):

Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Manager
 Impacted Agency(

7/1/84

CHRA Revised Fiscal Note

STATE OF ALASKA
THE LEGISLATURE

POUCH Y STATE CAPITOL
JUNEAU ALASKA 99811
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

March 22, 1985

SUBJECT: Benefits for certain widows and widowers
(Senate Bill 190)

TO: Senator Edna DeVries

FROM: Tamara Brandt Cook *TBC*
Deputy Director
Division of Legal Services

Here is the amendment that you requested. It adds provisions to authorize payment of prorated portions of the benefits under the three programs dealt with in SB 190 if appropriations are not adequate to fully fund payments to all eligible recipients. Since these additions do not deal with benefits to widows and widowers as such, I have in this amendment, broadened the title of the bill to more accurately reflect the subject as it has been expanded.

In preparing this amendment I noticed that the effective date of this bill is tied to the fiscal year. Since all three programs amended in this bill involve benefits calculated according to rates of municipal taxation, the bill should become effective at the beginning of the tax year to avoid the administrative difficulties of calculating the level of benefits for half a year. I would recommend that the effective date be changed to January 1, 1986.

TBC:ojb
J13/016

- Legal Services -
Mons. Rep. Executive Dept.

File w bill

Alaska State Legislature

Senate

Senator Edna DeVries, Chairman

Members:

Senator Ferguson, Vice Chairman

Senator Coghill

Senator Sturgulewski

Senator V. Fischer



Official Business

Committee on Community and Regional Affairs

Pouch V

Juneau, Alaska 99811

March 25, 1985

To: Senator Jan Faiks, Co-Chairman
Senate Finance

From: Senator Edna DeVries, Chairman *E. DeVries*
Senate Community/Regional Affairs

Subj: Senate Bill 190

Subject bill has passed out of C&RA and will be read across and referred to Finance tomorrow, March 26. My committee has added one amendment to the bill.

In comments from Legal Services relating to our committee amendment, it was suggested that the effective date of the bill be changed to January 1, 1986; specifically due to the fact that local government generally operates on a calendar year basis.

I agree that the effective date for SB 190 should be changed to January 1, 1986; and request that Finance so amend the bill. This has been discussed with the bill sponsor, Senator Paul Fischer.

cc: Senator Paul Fischer
C&RA Members

P.S. Also note that bill title change is included in our amendment; as per recommendation from Tam Cook, Legal Services.

*- DeVries Memo Suggesting
Effective date change -*

Alaska State Legislature

Senator Paul A. Fischer
Senate District D
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Community & Regional Affairs Committee

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Senate Bill 190 would allow widows and widowers who are at least 60 years of age and who are surviving spouses of those who previously qualified for exemptions or payments to continue to receive them.

Salient features: Section 1. extends the tax exemption on owner occupied residential property presently enjoyed by residents 65 years of age or older and by disabled veterans to their surviving spouse if he or she is at least 60 years of age. Section 2. makes the same extension of benefit to renters eligible for tax equivalency payment where a real property tax is in force. Section 3. makes widows and widowers eligible to receive present benefits in locations where a sales tax is levied on rents paid for residential property. Section 4. provides that the act take effect at the beginning of Fiscal Year 1986 on July 1, 1985.

Offered: 4/15/85
Referred: Rules

Original sponsors: P.Fischer, Abood,
Eliason, et al

1 IN THE SENATE BY THE FINANCE COMMITTEE
2 CS FOR SENATE BILL NO. 190 (Finance)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FOURTEENTH LEGISLATURE - FIRST SESSION
5

6 For an Act entitled: "An Act extending the residential property tax exemp-
7 tion and tax equivalency and reimbursement payments
8 to certain widows and widowers; and providing for an
9 effective date."

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

11 * Section 1. AS 29.53.020(e) is amended to read:

12 (e) The real property owned and occupied as a permanent place of
13 abode by a (1) resident 65 years of age or over; (2) [OR BY A] dis-
14 abled veteran; or (3) resident at least 60 years old who is the widow
15 or widower of a person who qualified for an exemption under (1) or (2)
16 of this subsection, is exempt from taxation of the assessed value of
17 the real property. Only one exemption may be granted for the same
18 property and, if two or more persons are eligible for an exemption for
19 the same property, the parties shall decide between or among them-
20 selves which shall receive the benefit of the exemption. Real prop-
21 erty may not be exempted under this subsection if the assessor deter-
22 mines, after notice and hearing to the parties concerned, that the
23 property was conveyed to the applicant primarily for the purpose of
24 obtaining the exemption. The determination of the assessor may be
25 appealed under AS 44.62.560 - 44.62.570.

26 * Sec. 2. AS 29.73.060(a) is amended to read:

27 (a) A resident of the state [65 YEARS OF AGE OR OLDER OR A
28 DISABLED VETERAN] who rents a permanent place of abode is eligible for
29 a tax equivalency payment from the state through the Department of

1 Community and Regional Affairs if the resident is

2 (1) at least 65 years old;

3 (2) a disabled veteran; or

4 (3) at least 60 years old and the widow or widower of a
5 person who was eligible for a payment under (1) or (2) of this sub-
6 section.

7 * Sec. 3. AS 29.73.062(a) is amended to read:

8 (a) A resident of the state [65 YEARS OF AGE OR OLDER OR A
9 DISABLED VETERAN] who rents a permanent place of abode and is other-
10 wise eligible for a reimbursement payment from the state may receive a
11 payment through the Department of Community and Regional Affairs if
12 the abode is located in a municipality that [(1)] does not levy and
13 collect a property tax, [;] and [(2)] levies and collects a sales tax
14 on rents paid for residential property. A resident is eligible for a
15 payment if the resident is

16 (1) at least 65 years old;

17 (2) a disabled veteran; or

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

21 * Sec. 4. This Act takes effect January 1, 1986.

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: 3/15/85

REQUEST

Bill/Resolution No.: SB 190
 Title: Extending tax exemptions to certain widows & widowers
 Sponsor: P. Fischer, Abood, Eliason
 Requestor: _____
 Date of Request: _____

FISCAL DETAIL

Agency Affected: Community and Regional Affairs
 Program Category Affected: Senior Citizens/Disabled Veterans Tax Relief
 BRU, Program or Subprogram(s) Affected: Senior Citizens/Disabled Veterans Property Tax Exemption & Rentors Equivalency Rebate

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES	0	25.4	26.7	28.0	29.4	30.9
200 TRAVEL						
300 CONTRACTUAL	0	.5	.5	.6	.6	.7
400 SUPPLIES	0	.2	.2	.2	.2	.2
500 EQUIPMENT	0	.8	0	0	0	0
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS	0	5.0	5.5	6.0	6.6	7.2
800 MISCELLANEOUS						
TOTAL OPERATING	0	31.9	32.9	34.8	36.8	39.0

CAPITAL	0					
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REVENUE	0					
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FUNDING: (Thousands of Dollars)

GENERAL FUND	0	31.9	32.9	34.8	36.8	39.0
FEDERAL FUNDS						
OTHER						
TOTAL	0	31.9	32.9	34.8	36.8	39.0

POSITIONS:

FULL-TIME	0	1	1	1	1	1
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

Position paper attached.

Prepared By: Michael Worley State Assessor
 Division: Municipal and Regional Assistance

Phone: 465-4735

Date: 3/15/85

Approved by Commissioner: Kevin Nadeau
 Agency: Community and Regional Affairs

Date: 3/15/85

Distribution (by Agency preparing fiscal note):

Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

7/1/84

1.	POSITION TITLE Clerk Typist III for FY 86			RANGE/STEP 08/A	ORG. UNIT GGU	PAGE/LINE	COV.	APPROV.	DISAP.
2.	TYPE OF POSITION PET	STAFF MONTHS 12	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION Juneau	ELECTION DISTRICT	LEG.	
3.	CONTINUATION LEVEL			ADDITION	JUSTIFICATION				
4.	TYPE OF EXPENDITURE			AMOUNT					
	1	2		3					
	PERSONAL SERVICES								
5.	Salary	19,570							
6.	Benefits	5,871							
7.	Supplemental Benefits								
8.	Fixed Benefits								
9.	TOTAL PERSONAL SERVICES	01		25,441					
10.	Travel	02		0					
11.	Contractual	03		500					
12.	Commodities	04		200					
13.	Equipment	05		800					
14.	Other								
15.	TOTAL COST			26,941					
	RECEIPT CODE	FUNDING SOURCE							
16.		Federal Receipts 1002							
17.		G.F. Match 1003							
18.		General Funds 1004		26.9					
19.		I-A Receipts 1005							
20.		Program Receipts 1028							
21.		Other							
FOR BSM USE ONLY KEY NUMBER _____									

This position will be needed in FY 86 to handle growing workload demands. With the changes in the tax exemption programs, proposed prorationing of reimbursements for senior citizen/disabled veterans homeowners tax exemptions and the inclusion of disabled veterans and rural residents in tax relief programs.

REQUEST FOR
NEW POSITION

AGENCY Community and Regional Affairs
PROGRAM Community Development
Local Government Assistance
BRU _____
COMPONENT _____

Page _____ of _____
Revised Date _____

FY 86

Introduced: 2/26/85
Referred: Community & Regional Affairs
and Finance

BY P.FISCHER, ABOOD,
ELIASON, V.FISCHER,
ZIEGLER, ZHAROFF AND
COGHILL

1 IN THE SENATE

2 SENATE BILL NO. 190

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 *relating to*

7 For an Act entitled: "An Act ~~relating to~~ the residential property tax exemp-
8 tion and tax equivalency and reimbursement payments
9 ~~to certain widows and widowers~~, and providing for an
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16 or widower of a person who qualified for an exemption under (1) or (2)
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23 mines, after notice and hearing to the parties concerned, that the
24 property was conveyed to the applicant primarily for the purpose of
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27 **NEW SECTION**

28 * Sec. 2. AS 29.73.060(a) is amended to read:

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11 payment through the Department of Community and Regional Affairs if
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14 on rents paid for residential property. A resident is eligible for a
15 payment if the resident is

16 (1) at least 65 years old;

17 (2) a disabled veteran; or

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

21 * Sec. 4. This Act takes effect July 1, 1985.
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28
29



RECORDS CERTIFICATION

I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James O. Smith
Signature of Camera Operator

7/25/89
Date