

H B

5 7 8

Offered: 3/21/86  
Referred: Finance

Original sponsor: Rules/Governor

1 IN THE HOUSE  
2  
3 CS FOR HOUSE BILL NO. 518 (C&RA)  
4 IN THE LEGISLATURE OF THE STATE OF ALASKA  
5 FOURTEENTH LEGISLATURE - SECOND SESSION  
6 A BILL  
7 For an Act entitled: "An Act relating to certain municipal property tax  
8 exemptions or deferments; and providing for an effective date."  
9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:  
10 \* Section 1. AS 29.45.030(a) is amended to read:  
11 (a) The following property is exempt from general taxation:  
12 (1) municipal, state, or federally owned property, except  
13 that a private leasehold, contract, or other interest in the property  
14 is taxable to the extent of the interest;  
15 (2) household furniture and personal effects of members of  
16 a [OF THE HEAD OF A FAMILY OR] household;  
17 (3) property used exclusively for nonprofit religious,  
18 charitable, cemetery, hospital, or educational purposes;  
19 (4) property of a nonbusiness organization or its auxiliary  
20 composed entirely of persons with 90 days or more of active service in  
21 the armed forces of the United States whose conditions of service and  
22 separation were other than dishonorable;  
23 (5) money on deposit;  
24 (6) the real property of certain residents of the state to  
25 the extent and subject to the conditions provided in (e) of this section;  
26  
27 (7) real property or an interest in real property that is  
28 exempt from taxation under 43 U.S.C. 1620(d), as amended.  
29 \* Sec. 2. AS 29.45.060(b) is amended to read:

1 (b) An owner of farm use land must, to secure the assessment  
2 under this section, apply to the assessor before May 15 of each year  
3 in which the assessment is desired. The application must [SHALL] be  
4 made upon forms prescribed by the state assessor for the use of the  
5 local assessor, and must [SHALL] include information that may rea-  
6 sonably be required to determine the entitlement of the applicant. If  
7 the land is leased for farm use purposes, the applicant shall furnish  
8 to the assessor a copy of the lease bearing the signatures of both  
9 lessee and lessor along with the completed application. The applicant  
10 shall furnish the assessor a copy of the lease covering the period for  
11 which the deferment [EXEMPTION] is requested.

12 \* Sec. 3. AS 29.45.060(c) is amended to read:

13 (c) In this section "farm use" means the use of land for profit  
14 for raising and harvesting crops, for the feeding, breeding, and man-  
15 agement of livestock, for dairying, or another agricultural use, or  
16 any combination of these. To be farm use land, the owner or lessee  
17 must be actively engaged in farming the land, and derive at least 10  
18 percent of yearly gross income from the land. This section does not  
19 apply to land for which the owner has granted, and has outstanding, a  
20 lease or option to buy the surface rights. A property owner wishing  
21 to file for farm use classification having no history of farm-related  
22 income may submit a declaration of intent at the time of filing the  
23 application with the assessor setting out the intended use of the land  
24 and the anticipated percentage of income. An applicant using this  
25 procedure shall file with the assessor before February 1 of the fol-  
26 lowing year a notarized statement of the percentage of gross income  
27 attributable to the land. Failure to make the filing required in this  
28 subsection forfeits entitlement to the deferment [THE EXEMPTION].

29 \* Sec. 4. This Act takes effect July 1, 1986.

Introduced: 1/27/86  
Referred: Community & Regional  
Affairs and Finance

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

1 IN THE HOUSE

2

HOUSE BILL NO. 518

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - SECOND SESSION

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A BILL

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23 (6) the real property of certain residents of the state to  
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Official Business

# Alaska State Legislature

## Community & Regional Affairs Committee

Pouch V  
State Capitol  
Juneau, Alaska 99811

### MEMORANDUM

May 7, 1986

TO: Edna

FROM: Trudie

SUBJ: CSHB 518 (C&RA) am  
An Act relating to certain municipal property  
tax exemptions, deferments, and procedures: efd

Received phone call from Mike Scott, Sen. Ferguson's Office on this bill -- was inquiring when bill could be scheduled in Senate C&RA.

I told him that you had said it was not your intention to schedule this bill, and the companion bill SB113 was in House Rules and you were working with House members to amend it when it came to the House Floor.

Mike said that under current law, due to a glitch in Title 29 which passed last year, a municipal tax assessor can include personal affects in a property owner's property tax assessment. THEREFORE, he said that CSHB 518 (C&RA) am, Sec. 2(a)(2) must become law in ORDER TO CORRECT this problem. He said they don't care about the other sections of the bill, one way or the other.

## Editorial

# Pro-people bill

Property taxpayers should keep track of CSHB518 in the final days of the Legislature, which is scheduled to adjourn Monday. If the bill doesn't pass this session, there should be a strong push for its introduction and passage next year.

Committee Substitute for House Bill 518 is described as a housekeeping tax measure which does a lot of little things. But one amendment to the bill does a lot for local taxpayers. That amendment puts the burden of proof on the tax assessor in proving the value of the property in the event a taxpayer appeals his assessment. Under current law, unhappy taxpayers are often required to hire independent assessors and lawyers to prove a property assessment is too high.

Supporters of the amendment call it pro-people. Rep. Marco Pignalberi, R-Anchorage, said, "I'm going to get more satisfaction out of pushing the green button on this one than perhaps any other vote we've taken this year."

The amendment was authored by Rep. Roger Jenkins, R-Anchorage. And therein lies the problem. The amendment is sponsored by minority members of the House, meaning that it could be easily lost in the last-minute push for adjournment.

One majority member of the House, Rep. Pat Bourchot, D-Anchorage, has reservations about the amendment. He's afraid that assessors' offices would be flooded with appeals if the measure becomes law.

For us, that's all the more reason to pass the law. If property assessments are that out of whack, if assessing departments have so little public confidence, it's time for assessors to justify their actions.

CSHB518 passed the House Monday with the amendment. It'll come up for a reconsideration vote before it goes to the Senate. If the Senate doesn't act on it, then it dies.

The Senate should act. If it doesn't, the taxpayers should react by demanding action next year. The best way to do that is to ask the candidates on their stand in upcoming elections.

Judie

PUBLIC OPINION MESSAGE

TO: SENATOR EDNA B. DE VRIES  
FROM: DENNIS FINEGAN  
P. O. BOX 3221  
KETCHIKAN, ALASKA 99901  
225-4993

BILL NO: HB 518

SUBJECT: MUNIC. PROPERTY TAX; DEFERMENTS/EXEMPTIONS

MESSAGE:

ASSESSMENT PERSONNEL AT VIRTUALLY EVERY VALUATION APPEAL GO INTO THE HEARING WITH INFORMATION SUPPORTING THE ASSESSED VALUE AND HOW THAT VALUE WAS DERIVED. MY CONCERN IS THAT HB 518 RELEASES THE PROPERTY OWNER FROM ANY RESPONSIBILITY TO SUPPORT THEIR APPEAL. PLEASE CONSIDER THE IMPACT OF HB 518.

DATE: 05/06/86 TIME: 18:23:22 SENT BY: KETCHIKAN LIO

225-6151  
~~6150~~  
415

1054



# Matanuska-Susitna Borough

BOX B, PALMER, ALASKA 99645 • PHONE 745-9687

BOROUGH ATTORNEY'S OFFICE

*Sen DeVries*  
MAY 08 1986  
*Jfa*

May 8, 1986

Senator Edna DeVries  
Alaska State Legislature  
P. O. Box V  
Juneau, Alaska 99811

Mr. Scott Burgess, Director  
Alaska Municipal League  
103 Municipal Way  
Juneau, Alaska 99801

SUBJECT: HB 518, Amendment to AS 29.45.010

Representative Jenkins has proposed an amendment to existing AS 29.45.210. That statute presently places the burden of proof in appeals to the municipal board of equalization on the appellant. The operative language of that statute provides: "The appellant bears the burden of proof." The Jenkins amendment substantially modifies the traditional allocation of the burden of proof to the taxpayer and places it upon the municipal assessor.

A Board of Equalization is a quasi-judicial administrative entity and may be likened to a court deciding a dispute between two parties. In traditional court proceedings the moving party (the party requesting action) bears the burden of establishing all material facts supporting entitlement to the requested action. The same rule applies and must continue to apply to Board of Equalization appeals. The purpose of placing the burden of proof on the appellant is fundamental. First, the party appealing is in the best position to assemble material facts and evidence to present to the board in support of his or her position. Second, allocating the burden of proof to the assessor requires the assessor to prove the assessment is not unequal, excessive, improper, or under valued. This means the assessor must prove a negative, a requirement generally disfavored in the law.

The Alaska Supreme Court recently ruled that an applicant for a liquor license bears the burden of proving that a municipal protest of the issuance of such a license is reasonable. The court held:

2054

HB 518, Amendment to AS 29.45.010  
 May 8, 1986  
 Page Two

"Ordinarily the party seeking a change in the status quo has the burden of proof...

An applicant. . . must sustain the burden of proving every material fact necessary to entitle him to the privilege he seeks."

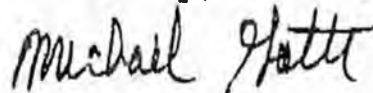
State ABC Board v. Decker, 700 P.2d 483 (Alaska 1985).

In addition Representative Pourchot's substitute amendment, deleting the burden of proof language from the statute must not be incorporated in the bill.


In the absence of language clearly allocating the burden of proof in equalization appeals the parties before the board will be unsure who bears the burden of proof. In addition the deletion of language previously contained in a statute presents the opportunity for taxpayers to argue the intent of the legislature in deleting the burden of proof language is to place the burden on the assessor.

For the foregoing reasons the amendments to AS 29.45.210 proposed by Representatives Jenkins and Pourchot must not be incorporated in HB 518.

Sincerely,



Michael Gatti  
 Deputy Borough Attorney



Gary Lewis  
 Borough Assessor

MG: jr

3054

**ALASKA ASSOCIATION OF ASSESSING OFFICERS**  
**POSITION STATEMENT****FROM:** Alaska Association of Assessing Officers**TO:** AML - Scott Burgess  
Senator Edna DeVries**SUBJECT:** HB518 Amendment to AS 29.45.030 and AS29.45.060

The Alaska Association of Assessing Officers has no objection to original HB518. The personal property exemption application for household furniture and personal property owned by others than the head of a household in order to clarify language related to the scope of the exemption is supported. Likewise we support proper definition of the Farm Use Assessment program as a deferral of rather than exemption of property tax.

**SUBJECT:** HB518 SECOND AMENDMENT

The Jenkins Amendment to HB518 passed by the House on May 2, 1986 substantially alters existing AS29.45.210(b) by reallocating the burden of proof to require the assessor to prove a valuation of property is proper. The reallocation of the burden of proof, as proposed by Rep. Jenkins, deviates from accepted principles of assessment and equalization as well as the commonly recognized legal principle that the appellant in a Board of Equalization proceeding is the party objecting to the assessment who should bear the burden of proof.

Definition of the Burden of Proof provides the Board of Equalization basis to find fact on frivolous and unfounded appeals and sets administrative procedure clearly in the mind of all participants. Without this appellant rule, boards would be inundated with emotional, ability to pay, and percent increase based pleas for which they are neither equipped or prepared to reach equitable decision. A completely one sided argument due to Assessor preparedness vs an ill prepared property owner would be indeed overwhelming, even in cases where the property owner has valid proof at his disposal.

In the hearing process the Assessor is not affected one way or another. The Assessor is obligated professionally and by ordinance to present a defense of value based on reason, judgement, equity, and uniformity supported by evidence. These obligations are taken very seriously in maintaining fairness to all property owners regardless of uninformed conceptions of our profession.

**SUBJECT:** HB518 THIRD AMENDMENT

The provisions of the Amendment providing public access to Assessment methods, records or means we believe is currently law per AS09.25.110 and 120, Inspection and Copies of Public Records.

From Alaska Assn. of Assessing Officers

Page 2.

4054

With the exception of confidential personal property location and particulars, age verification records of Senior Citizens, income verification of Farm Use Applicants, and information provided with request of confidence, there is no record or document related to the assessment of property not available for public inspection at reasonable hours.

SUBJECT: MURCHOT SUBSTITUTE AMENDMENT

The Association may not object to the substitution removing entirely the first sentence of AS29.45.210(b) with assurance that all parties can agree to the compromise. However, there are compelling legal considerations contained in accompaning POM from Michael Gatti, Deputy Borough Attorney and Gary Lewis on behalf of the Matanuska-Susitna Borough.

At this point our members are reluctant to gamble on the passage of HB518 in its current amended form and ~~therefore request that this bill be allowed to die in committee.~~

*therefore request that this  
bill as amended be allowed to  
die in committee.*

*Gary Lewis  
President*

Edna

TELECON RECORD

DATE: 5/8/86  
CALL PLACED BY: [Signature]  
PHONE NUMBER: Office  
CALL RECEIVED BY: Harry Lewis  
PHONE NUMBER: 745-9638  
SUBJECT: HB 518

NOTES: Discussed whether he & other assessors would agree to bill with Jenkins amendments removed.

He said he did not want to say he would not support a compromise, but he didn't think assessors would agree to bill with amendments before stated removed.

He is sending a POM to Juneau as soon as he can get over to Havilla LHO.

Offered: 3/21/86  
Referred: Finance

[ ] ✓ amendment insert  
deletion

Original sponsor: Rules/Governor

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AFFAIRS COMMITTEE

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

10 \* Section 1. AS 29.45.010 is amended by adding a new subsection to  
11 read:

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14 available to the public on request under reasonable rules during  
15 regular business hours.

16 \* Sec. 2. AS 29.45.030(a) is amended to read:

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27 the armed forces of the United States whose conditions of service and  
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3 lowing year a notarized statement of the percentage of gross income  
4 attributable to the land. Failure to make the filing required in this  
5 subsection forfeits entitlement to the deferment [THE EXEMPTION].

6 \* Sec 5. AS 29.45.210(b) is amended to read:

7 (b) [The assessor [APPELLANT] bears the burden of proof.] The  
8 only grounds for adjustment of assessment are proof of unequal,  
9 excessive, improper, or under valuation based on facts that are stated  
10 in a valid written appeal or proven at the appeal hearing, If a  
11 valuation is found to be too low, the board of equalization may raise  
12 the assessment.

13 \* Sec. 6. This Act takes effect July 1, 1986.

BILL SHEFFIELD, GOVERNOR

**DEPT. OF COMMUNITY & REGIONAL AFFAIRS**

OFFICE OF THE COMMISSIONER

May 7, 1986

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: CSHB 518 (C&RA) am

SPONSOR: Rules Committee by request of the Governor

Program Effects of Bill

Section one provides for full disclosure of assessment procedures and formulas.

Section two corrects certain wording which was contained in the Title 29 rewrite. Prior to the adoption of the rewrite, household furniture and personal effects across the State were exempted through the operation of two statutes. The first [AS 29.53.020(a)(2)] was required by law, and exempted the first \$500 of household furniture. The second [AS 29.53.025(b)(2)(A)] was an optional exemption which allowed municipalities to exempt the remaining value of the furniture and all the personal effects (jewelry, tools, clothing, etc.) of the householder. Every taxing municipality in Alaska had adopted that optional exemption.

At the request of assessors across the State, the technical and policy groups of the Title 29 rewrite agreed to combine the two exemptions and make all household furniture and personal effects mandatorily exempt under AS 29.45.030(a)(2). Apparently, the "personal effects" language was inadvertently left out of the rewrite. As a result of that oversight, the current language in law requires municipalities to levy property taxes against all personal effects of the members of a household.

Sections three and four of the bill corrects certain references to the agricultural land use program. Current law refers to the tax benefit as an "exemption". This section changes that reference to the term "deferment", which better describes the operation of the program.

Section five amends that body of laws that sets procedures for assessment appeals to the Board of Equalization. The amendment places the burden of proof on the municipal assessor rather than the appellant for these appeals.

HB 518  
May 7, 1986  
Page Two

Comments

The Department reluctantly supports passage of HB 518 as it is currently written. Section five of the bill was added as an amendment on the floor of the House of Representatives and is strongly opposed by taxing municipality's across the state.

As we read the amendments it creates an internal contradiction in subsection (b) by placing the burden of proof on the assessor in the first sentence and requiring the appellant to prove the assessor's value incorrect in the second sentence. We believe the amendment would mislead the appellant to believe he could appeal the assessors value without preparing a case. That is clearly not the intent of the second sentence under subsection (b).

In addition, the department does not believe it is possible to conduct an administrative appeal without some obligations on the part of the appellant to submit proof of his position. In fact, the appellant is normally eager to present evidence in support of his position. For these reasons the department supports statutory language which would require both the assessor and the appellant to submit proof of their respective positions to the Board of Equalization.

We believe an alternative amendment to section five would be to delete the first sentence of subsection (b) in its entirety. By deletion of that sentence neither the assessor nor the appellant would be required by law to bear the burden of proof. The appellant would be required to present a condensing case to the Board of Equalization under the language remaining in subsection (b). The assessor would be required to present a written justification of his assessed value under AS 29.45.190(d).

The deparment believes section one of the bill must be adopted into law this year. If it is not, municipalities across the state will be required to place household personal effects on their assessment rolls beginning January 1, 1987. For that reason, we consider the passage of HB 518 a top priority. Although we prefer the alternative amendment to section five suggested above, we are willing to accept the language which currently exists under that section if the committee believes it should become law.

  
\_\_\_\_\_  
Emil Notti, Commissioner

Alaska State Legislature

BOX V  
JUNEAU, ALASKA 99811  
(907) 465-4453/4530  
  
2201 ROOSEVELT DRIVE  
ANCHORAGE, ALASKA 99503  
(907) 248-4234



MEMBER  
HOUSE RESOURCES COMMITTEE  
MEMBER  
HOUSE STATE AFFAIRS COMMITTEE

Representative Roger Jenkins

DISTRICT 11

May 7, 1986

MAY 07 1986

MEMORANDUM

TO: Senator Edna De Vries, Chairman  
Senate Community & Regional Affairs

FROM: Representative Roger Jenkins

SUBJECT: Amendments to HB 518 - An act relating to certain  
municipal property tax exemptions, deferments or  
procedures

I prepared two amendments on this bill which are pro-people which opens up the tax appeal procedures currently in widespread use by governmental taxing assessors. The two amendments passed the House on May 5, 1986, - 25 yeas & 15 Nays. The bill was brought up on reconsideration and an amendment was offered which set aside the thrust of the burdon of proof amendment. This amendment was defeated May 5, 1986, 22 nays - 18 yeas.

Attached are copies of assessment appeal forms that are used by the Kenai Peninsula Borough and the Municipality of Anchorage. Current law requires the homeowner to prove that the taxing agent is wrong. My first amendment takes aim at whether or not it should be the duty or burden of property taxpayers to prove that an assessment is wrong or whether the assessing agent should be able prove that the assessment is correct. Assessors have at their disposal a bank of data on property values, however they do not have to prove or substantiate the assessment values on appeal before the board of equalization. Taxpayers have to prove their case the assessor does not. It seems that the shoe is on the wrong foot. It is a very small percentage of taxpayers that appeal tax assessments and most do not appeal frivolously.

The second amendment that I am offering today has to do with making procedures, formulas or other methods used to assess property tax available to the public on request during regular business hours. This will open up the process and provide better governmental accountability to the public they represent.

I urge each of you to support HB 518 as amended.

Enclosures

# Alaska State Legislature

BOX V  
JUNEAU, ALASKA 99811  
(907) 465-4453/4530

2201 ROOSEVELT DRIVE  
ANCHORAGE, ALASKA 99503  
(907) 248-4234



MEMBER  
HOUSE RESOURCES COMMITTEE  
MEMBER  
HOUSE STATE AFFAIRS COMMITTEE

## Representative Roger Jenkins

DISTRICT 11

May 5, 1986

### MEMORANDUM

TO: Members of the House

FROM: Representative Roger Jenkins *Roger Jenkins*

SUBJECT: Amendments to HB 518 - An act relating to certain municipal property tax exemptions or deferments

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I urge each of you to support the two amendments and would welcome co-sponsors.

Enclosures

A M E N D M E N T

OFFERED IN THE HOUSE:

By: JENKINS & Uehling &  
Taylor

To: CS (C&RA) HOUSE BILL No. 518

SENATE BILL No. \_\_\_\_\_

PAGE: \_\_\_\_\_

LINE: \_\_\_\_\_

Page 1, line 7 after "exemptions" delete "or deferments" and insert", deferments, and procedures"

Page 1, after line 9, insert a new bill section to read:

"\* Section 1 AS 29.45.010 is amended by adding a new subsection to read:

(d) All municipal bodies shall make procedures, restrictions, conditions, formulas, or other methods used to assess a property tax available to the public on request under reasonable rules during regular business hours."

Page 1, line 10:

Delete "\* Section 1." and insert "\*Sec. 2."

Renumber the following bill section accordingly.

**Sec. 29.45.010. Property tax.** (a) A unified municipality may levy a property tax. A borough may levy

- (1) an areawide property tax for areawide functions;
- (2) a nonareawide property tax for functions limited to the area outside cities;

(3) a property tax in a service area for functions limited to the service area.

(b) A home rule or first class city may levy a property tax subject to AS 29.45.550 — 29.45.560. A second class city may levy a property tax subject to AS 29.45.590.

(c) If a tax is levied on real property or on personal property, the tax must be assessed, levied, and collected as provided in this chapter. (§ 12 ch 74 SLA 1985)

**Sec. 29.45.020. Taxpayer notice.** (a) If a municipality levies and collects property taxes, the governing body shall provide the following notice:

**"NOTICE TO TAXPAYER**

For the current fiscal year the (city)(borough) has been allocated the following amount of state aid for school and municipal purposes under the applicable financial assistance Acts:

PUBLIC SCHOOL FOUNDATION PROGRAM ASSISTANCE (AS 14.17)	\$
STATE AID FOR RETIREMENT OF SCHOOL CONSTRUCTION DEBT (AS 14.11.100)	\$
MUNICIPAL TAX RESOURCE EQUALIZATION ASSISTANCE (AS 29.60.101 — 29.60.080)	\$
STATE AID FOR MISCELLANEOUS MUNICIPAL SERVICES (AS 29.60.100 — 29.60.180)	\$
TOTAL AID	\$

The millage equivalent of this state aid, based on the dollar value of a mill in the municipality during the current assessment year and for the preceding assessment year, is:

	MILLAGE EQUIVALENT	
	PREVIOUS YEAR	THIS YEAR
PUBLIC SCHOOL FOUNDATION PROGRAM ASSISTANCE	...MILLS	...MILLS
STATE AID FOR RETIREMENT OF SCHOOL CONSTRUCTION DEBT	...MILLS	...MILLS
MUNICIPAL TAX RESOURCE EQUALIZATION ASSISTANCE	...MILLS	...MILLS
STATE AID FOR MISCELLANEOUS MUNICIPAL SERVICES	...MILLS	...MILLS
TOTAL MILLAGE EQUIVALENT	...MILLS	...MILLS"

A M E N D M E N T

OFFERED IN THE HOUSE:

BY: JENKINS & Uehling &  
Taylor

TO: CS (C&RA) HOUSE BILL No. 518

SENATE BILL No. \_\_\_\_\_

PAGE: \_\_\_\_\_

LINE: \_\_\_\_\_

Page 1, line 7 after "exemptions" delete "or deferments" and insert", deferments, and procedures"

Page 2, after line 28, insert a new bill section to read:

"\* Sec. 4. AS 29.45.210 (b) is amended to read:

(b) The assessor [APPELLANT] bears the burden of proof.]

The only grounds for adjustment of assessment are proof of unequal, excessive, improper, or under valuation based on facts that are stated in a valid written appeal or proven at the appeal hearing. If a valuation is found to be too low, the board of equalization may raise the assessment."

Renumber the following bill section accordingly.

(c) Notwithstanding other provisions in this section, a determination of the assessor as to whether property is taxable under law may be appealed directly to the superior court. (§ 12 ch 74 SLA 1985)

**Sec. 29.45.210. Hearing.** (a) If an appellant fails to appear, the board of equalization may proceed with the hearing in the absence of the appellant.

(b) The appellant bears the burden of proof. The only grounds for adjustment of assessment are proof of unequal, excessive, improper, or under valuation based on facts that are stated in a valid written appeal or proven at the appeal hearing. If a valuation is found to be too low, the board of equalization may raise the assessment.

(c) The board of equalization shall certify its actions to the assessor within seven days. Except as to supplementary assessments, the assessor shall enter the changes and certify the final assessment roll by June 1.

(d) An appellant or the assessor may appeal a determination of the board of equalization to the superior court as provided by rules of court applicable to appeals from the decisions of administrative agencies. Appeals are heard on the record established at the hearing before the board of equalization. (§ 12 ch 74 SLA 1985)

**Sec. 29.45.220. Supplementary assessment rolls.** The assessor shall include property omitted from the assessment roll on a supplementary roll, using the procedures set out in this chapter for the original roll. (§ 12 ch 74 SLA 1985)

**Sec. 29.45.230. Tax adjustments on property affected by a natural disaster.** (a) The municipality may provide for assessment or reassessment and reduction of taxes for property destroyed, damaged, or otherwise reduced in value as a result of a natural disaster.

(b) An assessment or reassessment under this section may be made by the assessor only upon the receipt of a sworn statement of the taxpayer that losses exceed \$1,000. A reduction of taxes may be made only on losses in excess of \$1,000 for the remainder of the year following the disaster. On reassessment, the municipality shall recompute this tax and refund taxes that have already been paid.

(c) The municipality shall give notice of assessment or reassessment under this section and shall hold an equalization hearing as provided in this chapter, except that a notice of appeal must be filed with the board of equalization within 10 days after notice of assessment or reassessment is given to the person appealing. Otherwise, the right of appeal ceases unless the board finds that the taxpayer is unable to comply.

THE BOARD OF EQUALIZATION AND THE ASSESSOR NEED SPECIFIC INFORMATION AS TO WHY THE VALUE IS EXCESSIVE IN ORDER TO PROPERLY EVALUATE THE MERITS OF YOUR APPEAL. FAILURE TO DO SO MAY JEOPARDIZE THE OUTCOME OF THE APPEAL.

IF YOUR APPEAL IS REFERRED ON TO THE BOARD OF EQUALIZATION, THE BURDEN OF PROOF TO PROVE THAT THE ASSESSOR'S VALUE IS EXCESSIVE RESTS WITH THE APPELLANT WHO MUST CONVINCE THE BOARD BY CLEAR AND CONVINCING EVIDENCE THAT THE APPRAISAL WAS UNEQUAL, EXCESSIVE OR IMPROPER.

THE BOARD OF EQUALIZATION CONSISTS OF THE KENAI PENINSULA BOROUGH ASSEMBLY. IT IS WITHIN THEIR POWER TO RAISE APPRAISED VALUE AS WELL AS TO LOWER IT. BEAR IN MIND THAT THEY ARE CONCERNED ONLY WITH FACTS CONCERNING VALUE, NOT THE AMOUNT OF INCREASES OR THE TAXES YOU PAY.

WHAT CAN YOU DO TO BETTER PRESENT YOUR CASE?

1. Submit any recent appraisals on your property.
2. Confirm sales and listings in your area.
3. Photograph the physical items under protest.
4. Secure engineer estimates when protesting physical land features such as wetland, poor sub-soils, no access, etc.
5. Secure a written opinion of value from a realtor or appraiser.
6. Submit two (2) years of complete property income data.

PLEASE COMPLETE ALL AREAS ON THIS FORM AND BE SURE TO SIGN IT AND PROVIDE AN ADDRESS AND PHONE NUMBER.

THE FOLLOWING IS TAKEN FROM THE KENAI PENINSULA BOROUGH RESOLUTION 80-34 CONCERNING THE HEARING PROCEDURES OF THE BOARD OF EQUALIZATION:

"GUIDELINES AND PROCEDURE FOR PROCEEDINGS OF THE BOARD OF EQUALIZATION:

NO APPEAL MAY BE HEARD IN WHICH THE APPELLANT HAS NOT COMPLIED WITH THE BOROUGH CODE OF ORDINANCES.

ANY MATERIALS OR TRUE COPIES OF EVIDENCE SUBMITTED BY EITHER PARTY TO THE BOARD OF EQUALIZATION SHALL BE PROVIDED TO THE OPPOSING PARTY.

THE ASSESSOR OR HIS DESIGNEE IS CALLED BY THE PRESIDING OFFICER TO IDENTIFY THE SUBJECT PROPERTY, SUBMIT CERTAIN KNOWN FACTS TO FAMILIARIZE THE BOARD WITH THE SUBJECT PROPERTY, AND PRESENT HIS DEFENSE OF THE ASSESSED VALUE. IF THE ASSESSOR HAS A RECOMMENDATION TO CHANGE THE EXISTING VALUE, HE MAY PRESENT THE SAME AT ANY TIME DURING THE HEARING.

AT THE CONCLUSION OF THE ASSESSOR'S CASE, THE APPELLANT SHALL PRESENT ITS CASE. THE APPELLANT MAY BE REPRESENTED BY COUNSEL, AGENT OR OTHER REPRESENTATIVE. TO OVERTURN AN ASSESSMENT, THE APPELLANT MUST PRODUCE SUFFICIENT PROOF WHICH SHOWS THAT THE VALUATION APPEALED FROM IS UNEQUAL, EXCESSIVE OR OTHERWISE IMPROPER.

AT THE CONCLUSION OF THE APPELLANT'S CASE, THE ASSESSOR MAY PRESENT REBUTTAL EVIDENCE.

IF THE ASSESSOR PRESENTS ANY REBUTTAL EVIDENCE, THE APPELLANT MAY REBUT THAT EVIDENCE.

BOTH THE ASSESSOR AND THE APPELLANT MAY ASK QUESTIONS BUT MUST DO SO THROUGH THE PRESIDING OFFICER OR HEARING OFFICER.

WHEN THE APPELLANT AND THE ASSESSOR HAVE COMPLETED THEIR PRESENTATIONS, THE PRESIDING OFFICER OR THE HEARING OFFICER SHALL CLOSE THE HEARING AND NO FURTHER EVIDENCE SHALL BE OFFERED OR CONSIDERED. THE BOARD SHALL THEN DELIBERATE AND DECIDE THE APPEAL OR IT MAY DEFER DECISION UNTIL A TIME NOT LATER THAN ONE DAY FOLLOWING THE LAST DAY SCHEDULED FOR HEARING APPEALS."

KENAI PENINSULA BOROUGH  
ASSESSING DEPARTMENT  
P. O. BOX 850  
Soldotna, AK 99669

APPLICATION FOR REVIEW OF REAL PROPERTY APPRAISAL  
(Application must be filed by April 30, 1986 )

Please print or type answers to all questions!  
Please see instructions on reverse side before completing appeal!

DATE \_\_\_\_\_ ACCOUNT NUMBER \_\_\_\_\_

OWNER \_\_\_\_\_

LEGAL: Lot \_\_\_\_\_ Block \_\_\_\_\_ Subdivision \_\_\_\_\_

Address of Property \_\_\_\_\_

APPRAISED VALUE IS . . . . . LAND \$ \_\_\_\_\_ BLDG \$ \_\_\_\_\_

APPRAISED VALUE SHOULD BE . . . . . LAND \$ \_\_\_\_\_ BLDG \$ \_\_\_\_\_

HOW MUCH WAS PAID FOR THE PROPERTY? . . . . . \$ \_\_\_\_\_

DATE PROPERTY PURCHASED (Year) \_\_\_\_\_ HAVE YOU OFFERED PROPERTY FOR SALE? \_\_\_\_\_

IF SO, HOW MUCH DID YOU ASK? \$ \_\_\_\_\_ WHEN \_\_\_\_\_ MO \_\_\_\_\_ YEAR \_\_\_\_\_

THE REVIEW APPRAISER AND BOARD OF EQUALIZATION NEED TO KNOW WHY YOU FEEL YOUR PROPERTY IS APPRAISED AT MORE THAN ITS FAIR MARKET VALE. PLEASE EXPLAIN YOUR REASONS AND OFFER SALES AND/OR LISTINGS OF PROPERTY SIMILAR TO YOURS. \_\_\_\_\_

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(If additional space is required, please attach extra sheets to this form)

DID YOU TALK WITH A STAFF APPRAISER CONCERNING THIS APPEAL AT THE TIME OF FILING \_\_\_\_\_

Signature of Person Filing Appeal, if other than Property Owner \_\_\_\_\_ Appellant's Signature \_\_\_\_\_

Address \_\_\_\_\_ Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Home Phone No. \_\_\_\_\_ Business Phone No. \_\_\_\_\_ Home Phone No. \_\_\_\_\_ Business Phone No. \_\_\_\_\_

STATE LAW REQUIRES THAT PROPERTY BE ASSESSED AT ITS FULL AND TRUE VALUE WHICH IS THE ESTIMATED PRICE THE PROPERTY WOULD BRING IN AN OPEN MARKET TRANSACTION, UNDER THE THEN PREVAILING MARKET CONDITIONS.

PLEASE RETURN FORM TO: KENAI PENINSULA BOROUGH  
P. O. BOX 850

THE BOARD OF EQUALIZATION AND THE ASSESSOR NEED SPECIFIC INFORMATION AS TO WHY THE VALUE IS EXCESSIVE IN ORDER TO PROPERLY EVALUATE THE MERITS OF YOUR APPEAL. FAILURE TO DO SO MAY JEOPARDIZE THE OUTCOME OF THE APPEAL.

IF YOUR APPEAL IS REFERRED ON TO THE BOARD OF EQUALIZATION, THE BURDEN OF PROOF TO PROVE THAT THE ASSESSOR'S VALUE IS EXCESSIVE RESTS WITH THE APPELLANT, WHO MUST CONVINCING THE BOARD BY CLEAR AND CONVINCING EVIDENCE THAT THE APPRAISAL WAS UNEQUAL, EXCESSIVE, OR IMPROPER.

THE BOARD OF EQUALIZATION CONSISTS OF KNOWLEDGEABLE PEOPLE IN REAL ESTATE SUCH AS FEE APPRAISERS, REALTORS, DEVELOPERS, PROPERTY MANAGERS, ETC. IT IS WITHIN THEIR POWER TO RAISE APPRAISED VALUE AS WELL AS TO LOWER IT. BEAR IN MIND THAT THEY ARE CONCERNED ONLY WITH FACTS CONCERNING VALUE NOT THE AMOUNT OF INCREASES OR THE TAXES YOU PAY.

#### WHAT CAN YOU DO TO BETTER PRESENT YOUR CASE?

1. SUBMIT ANY RECENT APPRAISALS ON YOUR PROPERTY
2. CONFIRM SALES AND LISTINGS IN YOUR AREA
3. PHOTOGRAPH THE PHYSICAL ITEMS UNDER PROTEST.
4. SECURE ENGINEER ESTIMATES WHEN PROTESTING PHYSICAL LAND FEATURES SUCH AS WET LAND, POOR SUB-SOILS, NO ACCESS, ETC.
5. SECURE A WRITTEN OPINION OF VALUE FROM A REALTOR OR APPRAISER.
6. SUBMIT 2 YEARS OF COMPLETE PROPERTY INCOME DATA.

PLEASE COMPLETE ALL AREAS ON THIS FORM AND BE SURE TO SIGN IT AND PROVIDE AN ADDRESS AND PHONE NUMBER.

THE FOLLOWING IS TAKEN FROM THE MUNICIPAL ORDINANCE CONCERNING THE HEARING PROCEDURES OF THE BOARD OF EQUALIZATION.

#### HEARINGS, PROCEDURES

COUNSEL: ALL PARTIES MAY BE REPRESENTED BY COUNSEL DURING HEARINGS BEFORE THE BOARD IN THE COURSE OF ITS PROCEEDINGS.

RULES OF EVIDENCE: THE BOARD SHALL NOT BE RESTRICTED BY THE FORMAL RULES OF EVIDENCE IRRELEVANT TO THE ISSUES APPEALED. HEARSAY EVIDENCE MAY BE CONSIDERED PROVIDED THERE ARE ADEQUATE GUARANTEES OF ITS TRUSTWORTHINESS AND THAT IT IS MORE PROBATIVE ON THE POINT FOR WHICH IT IS OFFERED THAN ANY OTHER EVIDENCE WHICH THE PROPONENT CAN PROCURE BY REASONABLE EFFORTS.

ORDER OF PRESENTATION: THE APPELLANT SHALL PRESENT HIS ARGUMENT FIRST AND MAY BE QUESTIONED OR EXAMINED BY THE BOARD OR THE ASSESSOR. FOLLOWING THE APPELLANT, THE ASSESSOR SHALL PRESENT THE MUNICIPALITY'S ARGUMENT AND MUST SUBMIT TO THE EXAMINATION AND QUESTIONS BY THE APPELLANT. THE APPELLANT MAY, AT THE DISCRETION OF THE CHAIRMAN, MAKE REBUTTAL PRESENTATIONS DIRECTED SOLELY TO THE ISSUES RAISED BY THE ASSESSOR. THE MUNICIPAL ATTORNEY MAY QUESTION THE APPELLANT OR THE ASSESSOR ON MATTERS RELATING TO THE APPEAL.

WITNESSES AND EXHIBITS: THE APPELLANT AND THE MUNICIPALITY MAY OFFER THE ORAL TESTIMONY OF WITNESSES DURING THE HEARING. PROVIDED, HOWEVER, WHERE EITHER THE APPELLANT OR THE ASSESSOR SEEKS TO INTRODUCE AN AFFIDAVIT IN LIEU OF ORAL TESTIMONY, SUCH AFFIDAVIT SHALL BE SUBMITTED TO THE OPPOSING SIDE NO LATER THAN 72 HOURS BEFORE THE HEARING. ALL TESTIMONY BEFORE THE BOARD SHALL BE UNDER OATH. DOCUMENTARY EVIDENCE AND EXHIBITS MAY BE PRESENTED BY BOTH PARTIES DURING THE HEARING.

DECISIONS: AT THE CONCLUSION OF THE HEARING THE BOARD SHALL DETERMINE WHETHER THE ASSESSMENT IS PROPER. THE ONLY GROUNDS FOR ADJUSTMENT ARE PROOF OF UNEQUAL, EXCESSIVE OR IMPROPER VALUATION BASED ON FACTS STATED IN THE WRITTEN APPEAL OR PROVED AT THE HEARING. THE BOARD SHALL ISSUE FINDINGS OF FACT AND CONCLUSIONS OF LAW CLEARLY STATING THE GROUNDS UPON WHICH THE BOARD RELIED IN REACHING ITS DECISION.

FURTHER APPEALS: ANY APPEAL FROM A DECISION OF THE BOARD SHALL BE MADE TO THE SUPERIOR COURT. NO APPEAL FROM THE BOARD TO THE SUPERIOR COURT MAY BE TAKEN UNLESS THE ACTION IS FILED AND THE MUNICIPAL ATTORNEY IS SERVED WITH NOTICE OF SUCH APPEAL WITHIN 30 DAYS FOLLOWING THE BOARD'S DECISION. (AO 49-75 and AO 78-69).

THE FOLLOWING INFORMATION IS TAKEN FROM ALASKA STATUTES TITLE 29 CHAPTER 53.

FULL AND TRUE VALUE IS THE ESTIMATED PRICE WHICH THE PROPERTY WOULD BRING IN AN OPEN MARKET AND UNDER THE THEN PREVAILING MARKET CONDITIONS IN A SALE BETWEEN A WILLING SELLER AND A WILLING BUYER, BOTH CONVERSANT WITH THE PROPERTY AND THE PREVAILING GENERAL PRICE LEVELS.

IF AN APPELLANT FAILS TO APPEAR, THE BOARD OF EQUALIZATION MAY PROCEED WITH THE HEARING IN HIS ABSENCE.

IDENT NO. \_\_\_\_\_



MUNICIPALITY OF ANCHORAGE  
FINANCE DEPARTMENT  
PROPERTY APPRAISAL DIVISION

**APPLICATION FOR REVIEW OF REAL PROPERTY APPRAISAL**  
(APPLICATION MUST BE FILED BY \_\_\_\_\_)

PLEASE PRINT OR TYPE ANSWERS TO ALL QUESTIONS!  
PLEASE SEE INSTRUCTIONS ON REVERSE SIDE BEFORE COMPLETING APPEAL!

DATE \_\_\_\_\_ ACCOUNT NUMBER \_\_\_\_\_

OWNER \_\_\_\_\_

LEGAL: LOT \_\_\_\_\_ BLOCK \_\_\_\_\_ SUBDIVISION \_\_\_\_\_

ADDRESS OF PROPERTY \_\_\_\_\_

APPRAISED VALUE IS ..... LAND \$ \_\_\_\_\_ BLDG \$ \_\_\_\_\_

APPRAISED VALUE SHOULD BE ..... LAND \$ \_\_\_\_\_ BLDG \$ \_\_\_\_\_

HOW MUCH WAS PAID FOR THE PROPERTY? ..... \$ \_\_\_\_\_

DATE PROPERTY PURCHASED (Year) \_\_\_\_\_ HAVE YOU OFFERED THE PROPERTY FOR SALE \_\_\_\_\_

IF SO HOW MUCH DID YOU ASK? \$ \_\_\_\_\_ WHEN \_\_\_\_\_ MO \_\_\_\_\_ YEAR \_\_\_\_\_

THE REVIEW APPRAISER AND BOARD OF EQUALIZATION NEED TO KNOW WHY YOU FEEL THAT YOUR PROPERTY IS APPRAISED AT MORE THAN ITS FAIR MARKET VALUE. PLEASE EXPLAIN YOUR REASONS AND OFFER SALES AND OR LISTINGS OF PROPERTY SIMILAR TO YOURS. \_\_\_\_\_

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(IF ADDITIONAL SPACE IS REQUIRED, PLEASE ATTACH EXTRA SHEETS TO THIS FORM.)

DID YOU TALK WITH A STAFF APPRAISER CONCERNING THIS APPEAL AT THE TIME OF FILING? \_\_\_\_\_

SIGNATURE OF PERSON FILING APPEAL IF OTHER THAN PROPERTY OWNER \_\_\_\_\_

APPELLANT'S SIGNATURE \_\_\_\_\_

ADDRESS \_\_\_\_\_

ADDRESS \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

HOME PHONE NO \_\_\_\_\_ BUSINESS PHONE NO \_\_\_\_\_

HOME PHONE NO \_\_\_\_\_ BUSINESS PHONE NO \_\_\_\_\_

STATE LAW REQUIRES THAT PROPERTY BE ASSESSED AT ITS FULL AND TRUE VALUE WHICH IS THE ESTIMATED PRICE THE PROPERTY WOULD BRING IN AN OPEN MARKET TRANSACTION, UNDER THE THEN PREVAILING MARKET CONDITIONS.

PLEASE RETURN FORM TO:

FOR ASSESSOR'S USE ONLY

MUNICIPALITY OF ANCHORAGE  
PROPERTY APPRAISAL DIVISION  
630 WEST 6TH AVENUE  
POUCH 6-650  
ANCHORAGE, ALASKA 99502

CASE NO. \_\_\_\_\_

## How to use this form

A. This form requires you to identify your property and yourself (or your agent) and state and sign your proposed valuation. No changes to your inventory or valuation can be made without your first filing such a written request. You may attach other documents to help the assessor more accurately determine value. You must file this form not later than the final date for filing indicated on your notice of value. "Otherwise, the right of appeal ceases unless the Board of Equalization finds that the taxpayer was unable to comply." (AS 29.45.190.b)

Completion of this form ensures a written decision from the assessor's office, and ensures your right to appeal to the Board of Equalization if you are not satisfied with the assessor's decision.

B. The Assessor's Office will review your appeal, and mail to you, by certified mail, copy 2 of this form with the Assessor's Decision written in Block 4.

C. Upon receipt of Assessor's Decision, please complete Block 5. This block provides you with the option of either accepting the Assessor's Decision or continuing your appeal on to the Board of Equalization. Please return the form in the envelope provided, within 30 days.

D. If the form is not returned within 30 days, your rights to appeal will be terminated in accordance with Alaska Statutes.

E. The Municipal Clerk's office will inform you of the time and place when your appeal will be heard by the Board of Equalization.

### ALASKA LAW STATES:

A. "THE APPELLANT BEARS THE BURDEN OF PROOF. The only grounds for adjustment of assessment are proof of unequal, excessive, improper, or under valuation based on facts that are stated in a valid written appeal or proven at the appeal hearing. If a valuation is found to be too low, the board of equalization may raise the assessment." (AS 29.45.210b)

B. "The assessor shall assess property at its full and true value as of January 1 of the assessment year.... The full and true value is the estimated price that the property would bring in an open market and under the then prevailing market conditions in a sale between a willing seller and a willing buyer both conversant with the property and with the prevailing general price levels." (AS 29.45.110a)

C. "If an appellant fails to appear, the Board of Equalization may proceed with the hearing in the absence of the appellant." (AS 29.45.210a)

D. An appellant or the assessor may appeal a determination of the Board of Equalization to the superior court. Appeals are heard on the record established at the hearing before the Board of Equalization. Appeals to the superior court must be filed within 30 days following the Board's decision. (AS 29.45.210d and AMC 12.05.050G)

### ANCHORAGE MUNICIPAL CODE:

The code requires payment of taxes on the dates shown on the tax bills. You must pay the tax billed even though an appeal is still outstanding. When the appeal is decided, if there is a change in assessed value you will receive a refund or a supplementary bill for the difference in taxes. (AMC 12.05.090)

## ADMINISTRATIVE REVIEW AND APPEAL FORM

Complete the form down to the heavy line. Remove the bottom copy for your records and deliver the form to 632 W 6th, 4th Floor, or mail to: Municipal Clerk, Box 196650, Anchorage, Ak 99519-6650, no later than the **Appeal must be filed by** date indicated on your *Notice of Value*. If you deliver them in person the bottom copy will be time-date stamped for you. The assessor's office will review your appeal and mail you a copy of the decision, certified letter. Upon receipt please complete block 5 and return the copy to the Municipal Clerk in the envelope provided.

Please see back of form for further guidelines.

Appeal #

1) I request a review of the value shown in item 2 below for assessor's Book \_\_\_\_\_ Page \_\_\_\_\_ Lot \_\_\_\_\_  
 Property address (or legal description, mile, etc.): \_\_\_\_\_  
 Owner's name (as listed on valuation roll) \_\_\_\_\_  
 Owner's Mailing address: \_\_\_\_\_  
 Day phone: \_\_\_\_\_ Evening phone \_\_\_\_\_

2) Assessor's Value (from Notice of Value)	Land	Bldg.	Total
Owner's estimate of value			

Owner's reason for estimate of value (including inventory corrections, sales of comparable properties, and property income statements, if appropriate). \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

See attached

3) I hereby affirm that the foregoing information is true and correct and I have read and understand the guidelines on the back.

Signature of owner or authorized agent \_\_\_\_\_

Date signed \_\_\_\_\_

Print name (if different from item #1) \_\_\_\_\_

Address (if different from item #1 above) \_\_\_\_\_

Phones (if different from item #1 above) \_\_\_\_\_

Shaded area for assessor's use only

4) Assessor's Decision	From	Land	Bldg.	Total
	To			

Assessor's reason for decision \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

See attached

Date received \_\_\_\_\_

Decision made by \_\_\_\_\_

Date \_\_\_\_\_

Approved by \_\_\_\_\_

Date \_\_\_\_\_

Date mailed \_\_\_\_\_

5) Appellant's Response: If the copy of this form received via certified mail is not returned within 30 days, your rights to appeal will be terminated in accordance with Alaska Statutes.

I **ACCEPT** the Assessor's decision in Block 4 above and hereby withdraw my appeal.

I **DO NOT ACCEPT** the Assessor's decision and desire to have my appeal presented to the Board of Equalization.

Signature of owner or authorized agent \_\_\_\_\_

Date signed \_\_\_\_\_

Print name \_\_\_\_\_

Board of Equalization's Decision	Land	Bldg.	Total
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Date received \_\_\_\_\_

Date Heard \_\_\_\_\_

Certified (Chairman or Clerk of Board) \_\_\_\_\_

Date \_\_\_\_\_

Date mailed \_\_\_\_\_

AMENDMENT #4

OFFERED IN THE HOUSE:

By: Pourchot

To: CS (CR&A) am HOUSE BILL No. 518

SENATE BILL No. \_\_\_\_\_

PAGE: 2

LINE: after line 28

Delete the first sentence in new section 4 of the bill to read:

(b) [The assessor] [APPELLANT] bears the burden of proof.

The only grounds for adjustment of assessment are proof of unequal, excessive, improper, or under valuation based on facts that are stated in a valid written appeal or proven at the appeal hearing. If a valuation is found to be too low, the board of equalization may raise the assessment.

Rationale

This amendment seeks to strike a balance of proof between assessors and taxpayers. It removes the overt burden of proof in the existing statute on the appellant thereby emphasizing the existing responsibility in statute (AS 29.45.190(d)) of the assessor to bring forth all relevant information in support of his assessment to the board of equalization.

At the same time it preserves the existing language in the balance of AS 29.45.210(b) above setting out guidelines for assessment adjustments which was nullified by the original amendment. This change will avoid numerous frivolous appeals which would otherwise be expected resulting in significant time delays and costs in the appeals process.

30 days before the equalization hearings. If the address is not known to the assessor, the notice may be addressed to the person at the post office nearest the property. Notice is effective on the date of mailing. (§ 12 ch 74 SLA 1985)

**Sec. 29.45.180. Corrections.** (a) A person receiving an assessment notice shall advise the assessor of errors or omissions in the assessment of the person's property. The assessor may correct errors or omissions in the roll before the board of equalization hearing.

(b) If errors found in the preparation of the assessment roll are adjusted, the assessor shall mail a corrected notice allowing 30 days for appeal to the board of equalization. (§ 12 ch 74 SLA 1985)

**Sec. 29.45.190. Appeal.** (a) A person whose name appears on the assessment roll or the agent or assigns of that person may appeal to the board of equalization for relief from an alleged error in valuation not adjusted by the assessor to the taxpayer's satisfaction.

(b) The appellant shall, within 30 days after the date of mailing of notice of assessment, submit to the assessor a written appeal specifying grounds in the form that the board of equalization may require. Otherwise, the right of appeal ceases unless the board of equalization finds that the taxpayer was unable to comply.

(c) The assessor shall notify an appellant by mail of the time and place of hearing.

(d) The assessor shall prepare for use by the board of equalization a summary of assessment data relating to each assessment that is appealed.

(e) A city in a borough may appeal an assessment to the borough board of equalization in the same manner as a taxpayer. Within five days after receipt of the appeal, the assessor shall notify the person whose property assessment is being appealed by the city. (§ 12 ch 74 SLA 1985)

**Sec. 29.45.200. Board of equalization.** (a) The governing body sits as a board of equalization for the purpose of hearing an appeal from a determination of the assessor, or it may delegate this authority to one or more boards appointed by it. An appointed board may be composed of not less than three persons, who may be members of the governing body, municipal residents, or a combination of members of the governing body and residents. The governing body shall by ordinance establish the qualifications for membership.

(b) The board of equalization is governed in its proceedings by rules adopted by ordinance that are consistent with general rules of administrative procedure. The board may alter an assessment of a lot only pursuant to an appeal filed as to the particular lot.

PUBLIC OPINION MESSAGE

TO: SENATOR EDNA B. DE VRIES

FROM: MARY FROHNE  
9921 HILLSIDE DRIVE  
ANCHORAGE  
346-1895

99516

BILL NO: HB 518

SUBJECT: MUNIC. PROPERTY TAX; DEFERMENTS/EXEMPTIONS

MESSAGE:

SECTION 5 (B) - IT'S ABOUT TIME THE ASSESSORS BORE THE BURDEN OF PROOF. SOMETIMES IT IS HARD TO GET OUT OF THEM THEIR COMPARABLES AND THEIR ADJUSTMENT OF COMPARABLES TO YOUR PROPERTY. IT IS MUCH TOO EXPENSIVE FOR AN ORDINARY HOMEOWNER TO GET HIS PROPERTY APPRAISED IN ORDER TO REBUT OVER-VALUATION. WITH THE ASSESSOR BEARING THE BURDEN I FEEL HE WOULD HAVE TO SHOW THESE FORMULAS TO THE INDIVIDUAL TAXPAYER.

DATE: 05/07/86 TIME: 14:07:15 SENT BY: ANCHORAGE LIO

COPIES TO: SENATE MEMBERS

*Judge*

BILL SHEFFIELD  
GOVERNOR



STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

January 27, 1986

The Honorable Ben Grussendorf  
Speaker of the House  
Alaska State Legislature  
P.O. Box V  
Juneau, AK 99811

Dear Representative Grussendorf:

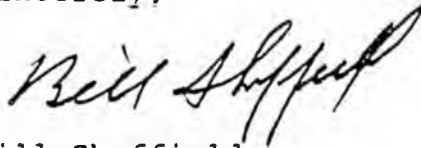
Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill amending provisions of the municipal code pertaining to property taxation, and providing for an effective date of July 1, 1986. The bill adds personal effects of members of a household to the list of property that is exempt from taxation under AS 29.45.030(a). The bill also clarifies AS 29.45.060 to reflect that farm and agricultural land is not exempt from taxation; taxation on the full and true value may only be deferred under that statute.

Until January 1, 1986, AS 29.53.020 provided a mandatory exemption from municipal property tax for "household furniture of the head of a family or a householder not exceeding \$500 in value." AS 29.53.020(a)(2). A municipality had the option of exempting by ordinance "the household furniture over \$500 in value and the effects of the head of a family or a householder." AS 29.53.025(b)(2)(A). It has been commonplace for municipalities to exempt personal effects and household furniture under AS 29.53.025(b)(2)(A). Effective January 1, 1986, the municipal code provides for a mandatory exemption for household furniture, regardless of value (AS 29.45.030(a)(2)), but omits any exemption for the personal effects of anyone in the household. This bill amends AS 29.45.030(a)(2) to add the personal effects of members of a household to the list of exempted property.

COMMITTEE COPY

Under AS 29.45.060, which took effect January 1, 1986 farm and agricultural land may be assessed based on its full and true value for farm use and not as if subdivided or used for some other nonfarm purpose. At any time that the land is used in a manner incompatible with farm use, the municipality can recoup the property taxes lost, plus interest, for the preceding seven years "as though the land had not been assessed for farm use purposes." AS 29.45.060(a). Consequently, the program in AS 29.45.060 is not an exemption program, but more accurately a deferment program. This bill amends a reference to "exemption" in AS 29.45.060 (b) and (c), to reflect the true nature of the program.

Sincerely,

A handwritten signature in cursive script that reads "Bill Sheffield". The signature is written in dark ink and is positioned above the printed name.

Bill Sheffield  
Governor

STATE OF ALASKA 1986 LEGISLATIVE SESSION  
FISCAL NOTE

Revision Date : 3/12/86

**REQUEST**

Bill/Resolution No. CS HB 518 (C&RA)  
 Title : \_\_\_\_\_  
 \_\_\_\_\_  
 Sponsor : Riles by request of Governor  
 Requestor : \_\_\_\_\_  
 Date of Request : \_\_\_\_\_

**FISCAL DETAIL**

Agency Affected : Community & Regional Affairs  
 BRU : State Assessor  
 \_\_\_\_\_  
 Components : \_\_\_\_\_  
 \_\_\_\_\_

**EXPENDITURES/REVENUES : (Thousands of Dollars)**

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>

CAPITAL						
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REVENUE						
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**FUNDING : (Thousands of Dollars)**

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>						

**POSITIONS :**

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

**ANALYSIS :** Attach a separate page if necessary

Prepared by : Michael W. Worley, State Assessor  
 Division : Municipal & Regional Assistance

Phone : 465-4750  
 Date : 3/12/86

Approved by Commissioner : [Signature]  
 Agency : Community & Regional Affairs

Date : 3/13/86

Distribution (by Agency preparing fiscal note) :

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

Offered: 3/21/86  
Referred: Finance

Original sponsor: Rules/Governor

1 IN THE HOUSE

BY THE COMMUNITY AND REGIONAL  
AFFAIRS COMMITTEE

2 CS FOR HOUSE BILL NO. 518 (C&RA) am

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to certain municipal property tax  
7 exemptions, deferments, and procedures; and providing  
8 for an effective date."

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

10 \* Section 1. AS 29.45.010 is amended by adding a new subsection to  
11 read:

12 (d) All municipal bodies shall make procedures, restrictions,  
13 conditions, formulas, or other methods used to assess a property tax  
14 available to the public on request under reasonable rules during  
15 regular business hours.

16 \* Sec. 2. AS 29.45.030(a) is amended to read:

17 (a) The following property is exempt from general taxation:

18 (1) municipal, state, or federally owned property, except  
19 that a private leasehold, contract, or other interest in the property  
20 is taxable to the extent of the interest;

21 (2) household furniture and personal effects of members of  
22 a [OF THE HEAD OF A FAMILY OR] household;

23 (3) property used exclusively for nonprofit religious,  
24 charitable, cemetery, hospital, or educational purposes;

25 (4) property of a nonbusiness organization or its auxiliary  
26 composed entirely of persons with 90 days or more of active service in  
27 the armed forces of the United States whose conditions of service and  
28 separation were other than dishonorable;

29 (5) money on deposit;  
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1 (6) the real property of certain residents of the state to  
2 the extent and subject to the conditions provided in (e) of this sec-  
3 tion;

4 (7) real property or an interest in real property that is  
5 exempt from taxation under 43 U.S.C. 1620(d), as amended.

6 \* Sec. 3. AS 29.45.060(b) is amended to read:

7 (b) An owner of farm use land must, to secure the assessment  
8 under this section, apply to the assessor before May 15 of each year  
9 in which the assessment is desired. The application must [SHALL] be  
10 made upon forms prescribed by the state assessor for the use of the  
11 local assessor, and must [SHALL] include information that may rea-  
12 sonably be required to determine the entitlement of the applicant. If  
13 the land is leased for farm use purposes, the applicant shall furnish  
14 to the assessor a copy of the lease bearing the signatures of both  
15 lessee and lessor along with the completed application. The applicant  
16 shall furnish the assessor a copy of the lease covering the period for  
17 which the deferral [EXEMPTION] is requested.

18 \* Sec. 4. AS 29.45.060(c) is amended to read:

19 (c) In this section "farm use" means the use of land for profit  
20 for raising and harvesting crops, for the feeding, breeding, and man-  
21 agement of livestock, for dairying, or another agricultural use, or  
22 any combination of these. To be farm use land, the owner or lessee  
23 must be actively engaged in farming the land, and derive at least 10  
24 percent of yearly gross income from the land. This section does not  
25 apply to land for which the owner has granted, and has outstanding, a  
26 lease or option to buy the surface rights. A property owner wishing  
27 to file for farm use classification having no history of farm-related  
28 income may submit a declaration of intent at the time of filing the  
29 application with the assessor setting out the intended use of the land  
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1 and the anticipated percentage of income. An applicant using this  
2 procedure shall file with the assessor before February 1 of the fol-  
3 lowing year a notarized statement of the percentage of gross income  
4 attributable to the land. Failure to make the filing required in this  
5 subsection forfeits entitlement to the deferment [THE EXEMPTION].

6 \* Sec 5. AS 29.45.210(b) is amended to read:

7 (b) The assessor [APPELLANT] bears the burden of proof. The  
8 only grounds for adjustment of assessment are proof of unequal,  
9 excessive, improper, or under valuation based on facts that are stated  
10 in a valid written appeal or proven at the appeal hearing. If a  
11 valuation is found to be too low, the board of equalization may raise  
12 the assessment.

13 \* Sec. 6. This Act takes effect July 1, 1986.  
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