

HB

118

Alaska State Legislature

Representative Jim Whitaker
House of Representatives
District 31



Session
Capitol Building, Room 411
Juneau, Alaska 99801
Phone: (907) 465-3004
Fax: (907) 455-2070

Interim
119 N. Cushman St. Suite 213
Fairbanks, AK 99701
Phone: (907) 452-1088
Fax: (907) 452-1146

SPONSOR STATEMENT HB 118

Section 29.45.030(e) of Alaska statutes mandates an exemption from municipal property taxes for Alaska's senior citizens, disabled veterans, and widows and widowers who are at least 60 years of age.

While municipalities may allow a one time only filing for a non-senior residential property tax exemption, current Alaska statute requires the recipient of the senior citizen, disabled veteran and widow and widower's exemption to file an application each year in order to qualify. This mandate poses an undue hardship for many of Alaska's citizens; the old and the infirm; who are the least able to comply with a yearly filing requirement.

HB 118 allows each taxing municipality the authority to establish, by ordinance, local procedures for accepting applications for this exemption.

Current Alaska Statute, without HB118

Sec. 29.45.030. Required exemptions.

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

(f) An exemption may not be granted under (e) of this section except upon written application for the exemption *on a form approved by the state assessor for use by local assessors. The claimant must file the application no later than January 15, or a date provided by ordinance that is not later than March 31, of the assessment year for which the exemption is sought.* The governing body of the municipality for good cause shown may waive *during a year* the claimant's failure to make timely application for exemption *for that year* and authorize the assessor to accept the application as if timely filed. *The claimant must file a separate application for each assessment year in which the exemption is sought.* If an application is filed within the required time and is approved by the assessor, the assessor shall allow an exemption in accordance with the provisions of this section. If a failure to file *by January 15, or a date provided by ordinance that is not later than March 31, of the assessment year* has been waived as provided in this subsection and the application for exemption is approved, the amount of tax that the claimant has already paid *for the assessment year* for the property exempted shall be refunded to the claimant. The assessor shall require proof in the form the assessor considers necessary of the right to and amount of an exemption claimed under (e) of this section, and shall require a disabled veteran claiming an exemption under (e) of this section to provide evidence of the disability rating. The assessor may require proof under this *section* at any time.

*Italicized text to be deleted and replaced

North Star Council on Aging, Inc.
Senior Center



1424 Moore St. ◆ Fairbanks, AK 99701
Phone (907) 452-1735 ◆ Fax (907) 451-9974

February 16, 2001

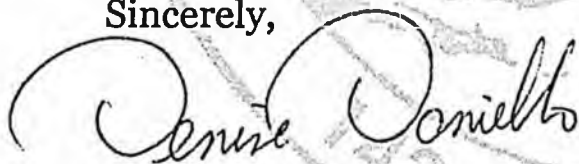
Representative Jim Whitaker
House of Representatives, District 31
Capitol Building, Room 411
Juneau, AK 99801

Dear Representative Whitaker:

The North Star Council on Aging supports your legislation, HB 118, to allow for local control in determining the method for applying senior citizen property tax exemptions. We support HB 118 to allow each taxing municipality the authority to establish, by ordinance, local procedures for accepting applications for this exemption.

We wish you the best in your efforts in promoting this legislation.

Sincerely,



Denise Daniello
Executive Director

FISCAL NOTE

**STATE OF ALASKA
2001 LEGISLATIVE SESSION**

Fiscal Note Number: 1
 Bill Version: HB 118
 (H) Publish Date: 2/23/01

Revision Date/Time (Note if correction): 02/16/2001 3:30p.m. Dept. Affected: DCED
 Title: Senior citizen/veteran property tax exemption BRU: Community Asst.&Econ.Dev.
 Component: Community & Business Development
 Sponsor: Representative Whitaker
 Requester: House CRA Component Number: 2486

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill provides for a mandatory exemption from municipal taxes on certain residences. This legislation would have no fiscal impact on the department.

Prepared by: Pat Poland, Director Phone (907) 269-4589
 Division: Community and Business Development Date/Time 02/16/2001 3:30p.m.
 Approved by: Commissioner Deborah B. Sedwick Date 2/16/2001
 Agency: Department of Community & Economic Development

For distribution information, call the Governor's Legislative Office

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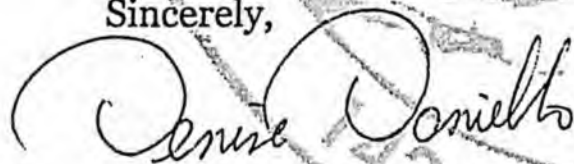
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