

HB

299

ALASKA STATE LEGISLATURE



Interim:

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Session:

State Capitol Building
Juneau, Alaska 99801-1182
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REPRESENTATIVE VIC KOHRING DISTRICT 14

Sponsor Statement for HB 299

House Bill 299 increases the property tax exemption for homeowner's age 65 and older, disabled veterans, widow and widower, and those who are disabled while serving in the line of duty of Territorial Guard from \$150,000 to \$250,000 on one's primary residence. The \$150,000 level has remained unchanged since 1986. However, due to inflation property values have increased substantially since 1986 in most areas of the state. The result is a much higher tax burden for this group of Alaskans, many of who find they can no longer afford to live in their homes and are thus forced to sell.

With the elimination of the Longevity Bonus Program, the financial pressure on seniors has increased. HB 299 is intended to help this group of Alaskans by reducing their tax burden. The claim that seniors and others addressed in the bill are being subsidized with this exemption is incorrect, because it's their own money, not a direct subsidy. This legislation enables seniors over 65, disabled veterans, widow and widower, 60 years or older and a person who was disabled in the line of duty while serving in the Alaska Territorial Guard, to keep more of their hard earned money at a time in their lives when they need greater financial security.

CS FOR HOUSE BILL NO. 299()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FOURTH LEGISLATURE - SECOND SESSION

BY

Offered:

Referred:

Sponsor(s): REPRESENTATIVES KOHRING, Lynn, Kerttula

A BILL
FOR AN ACT ENTITLED

1 **"An Act relating to and increasing the municipal property tax exemption on residences**
2 **of certain seniors and others; and providing for an effective date."**

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

4 *** Section 1. AS 29.45.030(e) is amended to read:**

5 (e) The real property owned and occupied as the primary residence and
6 permanent place of abode by a [(1)] resident who meets the eligibility requirements
7 [65 YEARS OF AGE OR OLDER; (2) DISABLED VETERAN; OR (3) RESIDENT
8 AT LEAST 60 YEARS OLD WHO IS THE WIDOW OR WIDOWER OF A
9 PERSON WHO QUALIFIED FOR AN EXEMPTION UNDER (1) OR (2)] of this
10 subsection, is exempt from taxation on the [FIRST \$150,000 OF THE] assessed value
11 of the real property, or a portion of it, as provided in this subsection. A
12 municipality may, in case of hardship, include in the [PROVIDE FOR] exemption
13 additional [BEYOND THE FIRST \$150,000 OF] assessed value in accordance with
14 regulations of the department. Only one exemption under this subsection may be

1 granted for the same property, and, if two or more persons are eligible for an
2 exemption for the same property, the parties shall decide between or among
3 themselves who is to receive the benefit of the exemption. Real property may not be
4 exempted under this subsection if the assessor determines, after notice and hearing to
5 the parties, that the property was conveyed to the applicant primarily for the purpose
6 of obtaining the exemption. The determination of the assessor may be appealed under
7 AS 44.62.560 - 44.62.570. Unless increased because of hardship, the exemption is
8 available in the following amounts to the following residents:

9 (1) a disabled veteran - the first \$250,000 of the assessed value;

10 (2) a resident 60 years of age or older who is the widow or widower
11 of a person who qualified for an exemption under (1) of this subsection - the first
12 \$250,000 of the assessed value;

13 (3) a resident 65 years of age or older with an income that meets
14 the requirements of AS 47.45.320(a)(3) - the first \$250,000 of the assessed value;

15 (4) a resident 60 years of age or older with an income that meets
16 the requirements of AS 47.45.320(a)(3) who is the widow or widower of a person
17 who qualified for an exemption under (3) or (5) of this subsection - the first
18 \$250,000 of the assessed value;

19 (5) a resident 65 years of age or older with an income that is more
20 than that which meets the requirements of AS 47.45.320(a)(3) but not more than
21 twice that which meets those requirements - the first \$150,000 of the assessed
22 value;

23 (6) a resident 60 years of age or older with an income that is more
24 than that which meets the requirements of AS 47.45.320(a)(3) but not more than
25 twice that which meets those requirements who is the widow or widower of a
26 person who qualified for an exemption under (3) or (5) of this subsection - the
27 first \$150,000 of the assessed value.

28 * Sec. 2. AS 29.45.050(i) is amended to read:

29 (i) In addition to the exemption required under AS 29.45.030(e), a [A]
30 municipality may by ordinance approved by the voters exempt from taxation all or a
31 portion of the assessed value [THAT EXCEEDS \$150,000] of real property owned

1 and occupied as a permanent place of abode by a resident who is

2 (1) 65 years of age or older;

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

5 (3) at least 60 years old and a widow or widower of a person who
6 qualified for an exemption under (1) or (2) of this subsection.

7 * Sec. 3. The uncodified law of the State of Alaska is amended by adding a new section to
8 read:

9 APPLICABILITY. (a) AS 29.45.030(e), as amended by sec. 1 of this Act, first applies
10 in 2007 and applies thereafter.

11 (b) Notwithstanding (a) of this section and AS 29.45.030(e), as amended by
12 sec. 1 of this Act, a resident who was eligible for an exemption under AS 29.45.030(e)
13 as it read before the effective date of this Act shall continue to be eligible for the
14 exemption under AS 29.45.030(e) as it read before the effective date of this Act.

15 * Sec. 4. This Act takes effect January 1, 2007.

AMENDMENT

Failed

OFFERED IN C & RA

BY REPRESENTATIVE CISSNA

TO: CSHB 299(), Draft Version "Y"

1 Page 1, lines 6 - 13:

2 Delete all material.

3 Insert "permanent place of abode by a (1) resident 65 years of age or older; (2)
4 disabled veteran; or (3) resident at least 60 years old who is the widow or widower of a person
5 who qualified for an exemption under (1) or (2) of this subsection, is exempt from taxation on
6 the first \$200,000 [\$150,000] of the assessed value of the real property. A municipality may,
7 in case of hardship, provide for exemption beyond the first \$200,000 [\$150,000] of assessed
8 value in accordance with"

9

10 Page 2, lines 7 - 27:

11 Delete all material.

12 Insert "AS 44.62.560 - 44.62.570."

13

14 Page 3, line 9:

15 Delete "(a)"

16

17 Page 3, lines 11 - 14:

18 Delete all material.

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
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MEMORANDUM

April 7, 2006

SUBJECT: Senior municipal property tax exemption (CSHB 299()); draft version "Y"; Work Order No. 24-LS0823\Y)

TO: Representative Pete Kott
Attn: Michael O'Hare

FROM: Tamara Brandt Cook
Director

TBC

The draft CSHB 299() "Y" changes the current municipal property tax exemption by increasing the exemption for disabled veterans and their widows or widowers, increasing the exemption for certain seniors and their widows or widowers who have very limited incomes, and keeping the existing exemption for other seniors and their widows or widowers who have larger, but still limited, incomes. The draft removes the existing mandatory exemption for seniors who do not meet the income guidelines. However, the draft also contains a "grandfather" provision in bill sec. 3 which permits a person who was eligible for the tax exemption before the effective date of the legislation to continue to be eligible for the exemption as it read before the statutory changes. In short, seniors who are eligible for the property tax exemption for 2006 continue to be eligible even if they do not meet the new needs-based eligibility requirements. You ask whether the "grandfather" provision poses an equal protection problem. While an issue exists, I think there is a reasonable chance that the "grandfather" provision would be upheld if challenged.

Under the equal protection clauses of the state or federal constitutions, the state may treat groups of people differently provided that the state is not creating inherently suspect classifications (such as classifications based on race or religion) or impinging on fundamental rights (such as the right to vote). In addition, the state must have a rational basis for the different treatment and must be pursuing a legitimate governmental goal. Under the state equal protection clause, a statute is evaluated on a sliding scale under which the goal of the legislation and the importance of the individual rights affected are considered. (*State v. Anthony*, 810 P.2d 155 (Alaska 1991)) The right to a senior property tax exemption that is not based on need would probably be accorded a relatively low level of protection under both the state and federal equal protection clauses because only an economic interest is implicated. If a relatively minor individual interest is affected, the state need only show that it is pursuing a legitimate state goal and that there is a rational relationship between the goal and the means chosen to achieve it.

Representative Pete Kott

April 7, 2006

Page 2

The goal of HB 299 is to limit the mandatory senior property tax exemption to seniors with limited incomes in order to protect the tax base of municipalities. Presumably, the purpose behind the "grandfather" provision is to protect current recipients that have expected to continue to receive the tax exemption, and may have planned their finances on that basis, from the hardship that the sudden change in tax status might cause. Courts have upheld "grandfather" provisions under which a terminated program continues for the benefit of a small group that is considered to have come to rely upon it. (City of New Orleans v. Dukes, 427 U.S. 297 (1976))

In our state there has been litigation involving the longevity bonus program. The program was established in 1972 and was limited to individuals with at least 25 consecutive years of residency in Alaska. This was held to unconstitutionally discriminate between long time and short time residents. (Schafer v. Vest, 680 P.2d 1169 (Alaska 1984)) The legislature responded by amending the program so that any resident 65 or over could receive a bonus. In 1993, the legislature decided to terminate the program by gradually phasing it out and "grandfathering in" current recipients, and, at a reduced level, future recipients who would first become eligible and apply for the bonus by the end of 1996. This legislation was challenged, but was upheld by the Superior Court and the case was not appealed. (Maggard v. Sipe, Superior Court, Third Judicial District, Case No. 3AN-94-08935 CI, order dated June 6, 1996)

Basically, the superior court held that, because the bonus program is merely an economic interest, it is entitled only to minimum protection under an equal protection challenge, so that all the state need show is that its objectives in enacting the 1993 legislation were legitimate. The court found that the main objective of terminating the program, to save money, is a legitimate state purpose. The court further found that the purpose in gradually phasing out the program while grandfathering in recipients and those who soon would be recipients was to protect the interests of people who might have reasonably been relying on receiving the bonus. This the court also found to be a legitimate purpose.

While the Maggard case was only a lower court decision and cannot be completely relied on, it does demonstrate the strength of the defense that could be made for the "grandfather" provision in the property tax exemption context. Rather than creating a classification that treats long term residents and newer residents differently, of the type disapproved in Schafer, the "grandfather" provision distinguishes between seniors who have been eligible for the exemption and a larger group that includes both new residents and some long term residents: resident seniors who were renters during the critical period and did not own homes, and residents who become seniors but were too young for the exemption during the critical period. And, of course, new residents who meet the income criteria will also qualify for the exemption. It is for this reason that I am inclined to think that the "grandfather" provision would probably survive a constitutional challenge.

TBC:ljw
06-184.ljw

FISCAL NOTE

STATE OF ALASKA
2006 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB 299
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Commerce
 Title Municipal Property Tax Exemption RDU Community Assist & Ec Dev (405)
 Component Community Advocacy
 Sponsor Kohring
 Requester House Community & Regional Affairs Component No. 2703

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
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						
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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						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2006) cost: 0.0
 Mark this box (X) if funding for this bill is included in the Governor's FY 2007 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This legislation would increase the mandatory exemption under AS 29.45.030(e) for senior citizens and disabled veterans from the current \$150,000 to \$250,000. The state is required to reimburse the revenues lost to municipalities for this program under AS 29.45.030(g) but has not done so since 1996. For 2005 this program cost municipalities \$39.8 million. This legislation would add an estimated \$14 million tax obligation to local governments. If the state were to fund the reimbursement program to the municipalities the cost from general funds would be approximately \$56 million for the 2006 tax year.

The legislation will not create a fiscal impact on the operations of the department, unless the funding appropriation is made under AS 29.45.030(g)

Prepared by: Mike Black, Director Phone (907) 269-4535
 Division Community Advocacy Date/Time 3/22/06 3:05 PM
 Approved by: William C. Noll, Commissioner Date 3/22/2006
 Agency Commerce, Community, and Economic Development

Legislative Research Services

Alaska State Legislature
Legislative Affairs Agency
Division of Legal and Research Services

State Capitol, Juneau, AK 99801
Phone: 907-465-3991
Fax: 907-465-3908

February 27, 2006

Memorandum

TO: Representative Vic Kohring

FROM: Becky Taylor
Legislative Analyst

RE: History of the Property Tax Exemption for Seniors, Disabled Veterans and Certain Widows/Widowers

You asked when the property tax exemption for seniors, disabled veterans, and certain widows/widowers was enacted. You were particularly interested in when the \$150,000 exemption amount was established and if it has ever been modified.

In 1972, lawmakers enacted a property tax exemption for low-income seniors (Section 2 Chapter 118 SLA 1972). The legislation created AS 29.53.020 (e), which provided residents 65 years of age or over whose gross annual income totaled less than \$10,000 with an exemption from taxation of the assessed value of real property that they owned and occupied as a permanent place of abode. If more than one party was eligible for an exemption with respect to the same property, the total combined gross annual income of the parties could not exceed \$10,000. The original statute did not include disabled veterans, widows, or widowers.

The income restriction was removed the following year by Section 1 Chapter 60 SLA 1973. After this modification, all residents 65 years of age or over were eligible for exemption from taxation of the assessed value of the specified real property. In 1976, a short-lived change was made to limit the amount of the assessed value that could be exempt from taxation to "the upper limit of the third quartile class in a frequency distribution of previous year assessed values in the state" (Section 1 Chapter 217 1976). This limit was removed in 1977 (Chapter 97 SLA 1977), and another limit was not established for almost ten years.

In 1986, lawmakers implemented the \$150,000 limit that is currently in place (Section 3 Chapter 70 SLA 1986). This measure also added language allowing municipalities to provide for exemption beyond the first \$150,000 of assessed value in the case of hardship, and added the restriction that the real property must be the primary residence of the individual seeking the exemption. Furthermore, the law created AS 29.45.050 (i), which allows municipalities, by an ordinance approved by the voters, to exempt from taxation assessed value that exceeds \$150,000 for the specified groups.

In addition to changes in the amount of assessed value exempt from taxation, a number of other modifications were made to expand who was eligible for this exemption. In 1984, lawmakers extended the exemption to disabled veterans (Section 1 Chapter 40 SLA 1984), and the following year they included widows or widowers, who were at least 60 years old, of the specified seniors and disabled veterans (Section 1 Chapter 91 SLA 1985).¹ In 1991, lawmakers added language to include individuals who were disabled while in the line of duty in the Alaska Territorial Guard (Section 15 Chapter 93 SLA 1991).

Table 1 includes a summary detailing the history of the property tax exemption.

I hope you find this information to be useful. Please do not hesitate to contact us if you have questions or need additional information.

¹ In 1985, the statute relating to the property tax exemption for seniors and others was changed from AS 29.53.020 to AS 29.45.030 (Chapter 74 SLA 1985). Although the legislation enacted as Chapter 91 SLA 1985 was written to amend the original statute, the Revisor notes that the changes were treated as amendments to the new statute.

Table 1: History of Exemption from Property Tax for Seniors, Disabled Veterans and Certain Widows/Widowers

Session Law		Statute	Significant Changes	Effective Date
Year	Section and Chapter			
1972	Section 2 Chapter 118	Created AS 29.53.020 (e)	Created AS 29.53.020 (e) as follows: "After January 1, 1973 the real property owned and occupied as a permanent place of abode by a resident 65 years of age or over whose gross annual income totals less than \$10,000 is exempt from taxation of the assessed value of the real property. Only one exemption may be granted with respect to the same property and, if two or more persons are eligible for an exemption with respect to the same property, the parties shall decide between or among themselves which shall receive the benefit of the exemption; however, in the case of more than one party eligible for an exemption with respect to the same property, the total combined gross annual income of the parties may not exceed \$10,000. No real property may be exempted under this subsection which the assessor determines, after notice and hearing to the parties concerned, has been conveyed to the applicant primarily for the purpose of obtaining the exemption. The determination of the assessor is appealable under AS 44.62.560-44.62.570."	January 1, 1973
1973	Section 1 Chapter 60	AS 29.53.020 (e)	Removed income requirement, making all residents 65 years of age or over eligible for exemption from taxation of the assessed value of the specified real property.	July 23, 1973
1976	Section 1 Chapter 217	AS 29.53.020 (e)	Imposed a limit on the amount of assessed value that could be exempted from taxation. The limit was set at "the upper limit of the third quartile class in a frequency distribution of previous year assessed values in the state."	September 18, 1976
1977	Section 1 Chapter 97	AS 29.53.020 (e)	Removed limit on the amount of assessed value that could be exempted from taxation. Reverted back to the statute as amended by Section 1 Chapter 60 SLA 1973.	Retroactive to January 1, 1977
1984	Section 1 Chapter 40	AS 29.53.020 (e)	Added disabled veterans.	January 1, 1985
1985	Sections 12 and 88 Chapter 74	Repealed AS 29.53.020 (e) and created AS 29.45.030 (e)	Section 88 repealed AS 29.53. Section 12 created the similar AS 29.45.030 (e).	January 1, 1986
	Section 1 Chapter 91	AS 29.53.020 (e) ¹	Added widow or widower at least 60 years old of a resident 65 years of age or older or a disabled veteran.	

**Table 1: History of Exemption from Property Tax for Seniors, Disabled Veterans and Certain Widows/Widowers--
Continued**

Session Law		Statute	Significant Changes	Effective Date
Year	Section and Chapter			
1986	Section 3 Chapter 70	AS 29.45.030 (e)	Changed the exemption from the assessed value of the real property to the first \$150,000 of the assessed value of the real property. Added language that "A municipality may, in a case of hardship, provide for exemption beyond the first \$150,000 of assessed value in accordance with regulations of the department." Added the restriction that the real property must be the primary residence of the individual seeking the exemption.	January 1, 1987
	Section 5 Chapter 70	AS 29.45.050 (i)	Added subsection (i) to AS 29.45.050, which allows municipalities, by an ordinance approved by the voters, to exempt from taxation assessed value that exceeds \$150,000 for the specified groups.	
1991	Section 14 Chapter 93	AS 29.45.030 (i)	Added to the definition of "disabled veteran," as used in AS 29.45.030 (e)- (i), residents who incurred or aggravated a disability that has been rated as 50 percent or more while in the line of duty in the Alaska Territorial Guard.	September 30, 1991
	Section 15 Chapter 93	AS 29.45.050 (i)	Added language "including a person who was disabled in the line of duty while serving in the Alaska Territorial Guard" after disabled veteran.	

Notes: 1) In 1985, the statute relating to the property tax exemption for seniors and others was changed from AS 29.53.020 to AS 29.45.030 (Chapter 74 SLA 1985). Although the legislation enacted as Chapter 91 SLA 1985 was written to amend the original statute, the Revisor notes that the changes were treated as amendments to the new statute.
Sources: Alaska Statutes and Session Laws.

Palmer Senior Citizens' Center, Inc.

"Seniors helping Seniors"

February 13, 2006

The Honorable Representative Vic Kohring
State Capitol, Room 24
Juneau, AK 99801-1182

RE: Increasing Municipal Property Tax Exemption for Seniors – HB 299

Dear Representative Kohring:

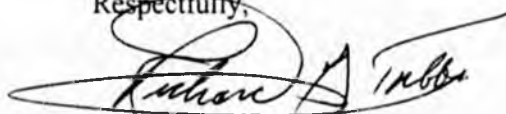
I write on behalf of Palmer Senior Citizens Center, Inc. (PSCC), a non-profit senior service organization, with respect to House Bill 299, which would increase the municipal property tax exemption for seniors and certain other classes of individuals. After considering House Bill 299, PSCC has determined that increasing the municipal property tax exemption to \$250,000 would greatly benefit a large number of older Alaskans.

PSCC has served seniors in the Matanuska-Susitna Borough for over a quarter century. We have witnessed first-hand the unfortunate effects of rising property values on older Alaskans. As assessments soar, seniors are faced with an exceedingly difficult decision – scrape the bottom of the barrel to pay increasingly steep property taxes on homes they have owned and cherished for decades or sell their homes and find somewhere else to live.

Most seniors will do everything in their power to remain in their homes even after they can no longer afford to pay municipal property taxes. Rather than sell their homes, seniors simply cut the amount of money they spend on necessities like food, clothing, medical expenses, heat, and electricity. However, these costs do not magically disappear. They are typically passed on to the State and non-profit service providers like PSCC.

PSCC believes that increasing the municipal property tax exemption for seniors from \$150,000 to \$250,000 would greatly benefit a large number of older Alaskans with low and moderate incomes. HB 229 is sensible legislation that will allow seniors to remain in their homes without the need to dramatically reduce their spending on food, clothing, or medicine.

Respectfully,



Richard Tubbs
Executive Director
Palmer Senior Citizens Center, Inc.

*As per letter of
Mr. Tubbs.
(2/10) VA*



**2005 Senior Citizen/Disabled Veteran Property Tax Exemption Program Summary
And Farm Use Deferral Program Summary
(FY 06 - Tax Year 2005)**

Municipality	Senior Citizen /Disabled Veteran Homeowner Exemption Program										Farm-Use Program				
	Senior Citizen # Applicants	Senior Citizens Exempt Value	Senior Citizens Taxes Exempt	DAV # Applicants	Disabled Veterans Exempt Value	Disabled Veterans Taxes Exempt	SC/DAV Total App.	SC/DAV Total Value	SC/DAV Total Taxes	Pro Rated Reimburs.	No. of Applicants	Total Acreage	Full & True Assessed Value	Farm-Use Value	Total Taxes Deferred
Municipality of Anchorage	7,712	\$1,022,968,033	\$16,741,088	1,361	\$195,288,779	\$3,133,324	9,073	\$1,218,256,812	\$19,874,412	\$0.00	0	0.00	\$0	\$0	\$0
Bristol Bay Borough	23	\$1,941,278	\$25,237	1	\$43,900	\$571	24	\$1,985,178	\$25,807	\$0.00	0	0.00	\$0	\$0	\$0
Fairbanks North Star Borough	2,358	\$286,620,656	\$5,238,026	462	\$61,353,352	\$1,079,326	2,820	\$347,974,008	\$6,317,352	\$0.00	122	5,974.00	\$12,720,581	\$8,098,764	\$76,852
Haines Borough	165	\$16,303,829	\$196,833	5	\$517,787	\$6,363	170	\$16,821,616	\$203,196	\$0.00	0	0.00	\$0	\$0	\$0
City & Borough of Juneau	1,090	\$150,921,445	\$1,755,202	49	\$6,724,200	\$63,431	1,139	\$157,645,645	\$1,818,633	\$0.00	1	19.27	\$1,379,400	\$585,200	\$8,871
Kenai Peninsula Borough	2,327	\$273,619,951	\$3,138,285	153	\$16,815,300	\$191,903	2,480	\$290,435,251	\$3,330,189	\$0.00	11	921.55	\$3,636,800	\$488,000	\$35,967
Ketchikan Gateway Borough	620	\$72,138,800	\$899,065	15	\$1,914,000	\$23,519	635	\$74,052,800	\$922,584	\$0.00	0	0.00	\$0	\$0	\$0
Kodiak Island Borough	277	\$31,149,830	\$460,191	27	\$3,476,710	\$46,899	304	\$34,626,540	\$507,090	\$0.00	3	319.89	\$1,621,100	\$525,250	\$12,054
Matanuska-Susitna Borough	2,729	\$319,377,907	\$4,609,995	488	\$59,861,000	\$866,967	3,217	\$379,238,907	\$5,476,962	\$0.00	209	15,914.64	\$65,301,300	\$37,519,700	\$529,370
North Slope Borough	65	\$6,448,400	\$122,714	0	\$0	\$0	65	\$6,448,400	\$122,714	\$0.00	0	0.00	\$0	\$0	\$0
City & Borough of Sitka	419	\$53,956,260	\$323,738	9	\$1,000,500	\$6,003	428	\$54,956,760	\$329,741	\$0.00	0	0.00	\$0	\$0	\$0
City & Borough of Yakutat	24	\$1,695,050	\$16,876	0	\$0	\$0	24	\$1,695,050	\$16,876	\$0.00	0	0.00	\$0	\$0	\$0
Cordova	76	\$9,242,093	\$126,690	1	\$133,200	\$1,865	77	\$9,375,293	\$128,555	\$0.00	0	0.00	\$0	\$0	\$0
Craig	29	\$2,536,100	\$15,217	1	\$129,000	\$774	30	\$2,665,100	\$15,991	\$0.00	0	0.00	\$0	\$0	\$0
Dillingham	35	\$4,232,300	\$53,343	0	\$0	\$0	35	\$4,232,300	\$53,343	\$0.00	0	0.00	\$0	\$0	\$0
Eagle - No taxes in 2004	0	\$0	\$0	0	\$0	\$0	0	\$0	\$0	\$0.00	0	0.00	\$0	\$0	\$0
Nenana	19	\$789,684	\$9,476	1	\$27,700	\$332	20	\$817,384	\$9,809	\$0.00	0	0.00	\$0	\$0	\$0
Nome	88	\$8,976,305	\$98,739	0	\$0	\$0	88	\$8,976,305	\$98,739	\$0.00	0	0.00	\$0	\$0	\$0
Pelican	5	\$485,200	\$2,911	0	\$0	\$0	5	\$485,200	\$2,911	\$0.00	0	0.00	\$0	\$0	\$0
Petersburg	131	\$17,163,700	\$190,860	3	\$323,200	\$3,594	134	\$17,486,900	\$194,454	\$0.00	0	0.00	\$0	\$0	\$0
Skagway	49	\$6,812,632	\$46,067	0	\$0	\$0	49	\$6,812,632	\$46,067	\$0.00	0	0.00	\$0	\$0	\$0
Unalaska	7	\$657,596	\$7,747	0	\$0	\$0	7	\$657,596	\$7,747	\$0.00	0	0.00	\$0	\$0	\$0
Valdez	60	\$7,484,000	\$149,680	6	\$559,750	\$11,195	66	\$8,043,750	\$160,875	\$0.00	0	0.00	\$0	\$0	\$0
Whittier	13	\$420,000	\$2,100	0	\$0	\$0	13	\$420,000	\$2,100	\$0.00	0	0.00	\$0	\$0	\$0
Wrangell	139	\$15,035,402	\$180,425	2	\$233,600	\$2,803	141	\$15,269,002	\$183,228	\$0.00	0	0.00	\$0	\$0	\$0
Totals	18,460	2,310,976,451	34,410,505	2,584	348,401,978	5,438,870	21,044	\$2,659,378,429	\$39,849,375	\$0.00	346	23,149.35	84,659,181	47,216,914	663,115

= Received and updated

Tax Year	Number of Seniors	Number of DAV's	Total Number Applicants	Percent Increase	Assessed Value Exempted	Percent Increase	Municipal Taxes Exempted	Percent Increase	State Funding Level	Percent of State Funding	Revenue Lost to Municipalities
1980			3,393	9.17%	\$165,159,728	28.22%	\$1,899,611	7.84%	\$1,899,611	100.00%	\$0
1981			3,842	13.23%	\$211,428,981	28.01%	\$2,291,811	20.65%	\$2,291,811	100.00%	\$0
1982			4,147	7.94%	\$277,154,113	31.09%	\$1,757,887	-23.30%	\$1,757,887	100.00%	\$0
1983	4,893		4,893	17.99%	\$324,220,034	16.98%	\$2,092,317	19.02%	\$2,092,317	100.00%	\$0
1984	5,156		5,156	5.38%	\$392,215,073	20.97%	\$3,146,618	50.39%	\$3,146,618	100.00%	\$0
1985			5,418	5.08%	\$478,983,142	22.12%	\$4,005,075	27.28%	\$4,005,075	100.00%	\$0 DAV @ 50% and Widow/widowers @60 years were added
1986			6,061	11.87%	\$609,947,921	27.34%	\$4,977,451	24.28%	\$3,958,567	79.53%	\$1,018,884 Jan.1, First year program was not fully funded
1987			6,569	8.38%	\$737,706,208	20.95%	\$6,325,763	27.09%	\$2,770,300	43.79%	\$3,555,463 Jan.1, the \$150,000 limitation was enacted
1988			7,118	8.36%	\$760,355,699	3.07%	\$6,753,663	6.76%	\$2,622,969	38.84%	\$4,130,694
1989			7,900	10.99%	\$598,877,461	-21.24%	\$7,464,557	10.53%	\$2,519,344	33.75%	\$4,945,213
1990			8,557	8.32%	\$606,951,397	1.35%	\$8,627,081	15.57%	\$2,543,469	29.48%	\$6,083,612
1991			9,246	8.05%	\$665,058,233	9.57%	\$9,585,192	11.11%	\$2,557,900	26.69%	\$7,027,292
1992			9,986	8.00%	\$754,166,097	13.40%	\$11,293,150	17.82%	\$2,838,800	25.14%	\$8,454,350
1993			10,719	7.34%	\$883,539,005	17.15%	\$13,669,469	21.04%	\$2,838,800	20.77%	\$10,830,669
1994			11,594	8.16%	\$979,290,045	10.84%	\$14,843,296	8.59%	\$1,551,766	10.45%	\$13,291,530
1995	11,204	995	12,199	5.22%	\$1,064,556,490	8.71%	\$16,894,296	13.82%	\$1,163,800	6.89%	\$15,730,496
1996	11,766	1,153	12,919	5.90%	\$1,183,291,858	11.15%	\$18,636,513	10.31%	\$1,163,800	6.24%	\$17,472,713
1997	12,424	1,268	13,698	6.03%	\$1,294,087,798	9.36%	\$20,366,257	9.28%	\$0	0.00%	\$20,366,257 Jan.1, First year that the program was zero funded
1998	13,267	1,376	14,643	6.90%	\$1,403,624,823	8.46%	\$22,317,994	9.58%	\$0	0.00%	\$22,317,994
1999	13,629	1,514	15,143	3.41%	\$1,544,691,456	10.05%	\$24,649,743	10.45%	\$0	0.00%	\$24,649,743
2000	14,925	1,731	16,656	9.99%	\$1,798,704,610	16.44%	\$28,248,856	14.60%	\$0	0.00%	\$28,248,856
2001	15,707	1,933	17,640	5.91%	\$1,942,143,407	7.97%	\$31,076,096	10.01%	\$0	0.00%	\$31,076,096
2002	16,319	2,116	18,435	4.51%	\$2,115,394,523	8.92%	\$32,515,100	4.63%	\$0	0.00%	\$32,515,100
2003	17,001	2,274	19,275	4.56%	\$2,295,225,136	8.50%	\$34,663,161	6.61%	\$0	0.00%	\$34,663,161
2004	17,675	2,382	20,057	4.06%	\$2,453,661,658	6.90%	\$37,037,282	6.85%	\$0	0.00%	\$37,037,282
2005	18,401	2,583	20,984	4.62%	\$2,649,084,084	7.96%	\$39,798,957	7.46%	\$0	0.00%	\$39,798,957

Resolution # 02-2006**Homer Senior Citizens, Inc.**

Whereas many seniors have endured years of living and working in a harsh environment helping to create a solid economic foundation for Alaska, and

Whereas seniors continue to contribute to fund education and have so for a great portion of their lives when they have not had children in school, which is one of the single largest funded programs in the State budget, and

Whereas the elimination of the Longevity Bonus program and the drastic increase in fuel and electrical costs has placed many seniors in a position of choosing between food and medications, and

Whereas many seniors may be placed in a situation where they could lose their homes because they can not pay their property taxes, and

Whereas the State of Alaska has unanticipated revenue from oil royalties and taxes, therefore,

Be it resolved that the Board of Directors for Homer Senior Citizens, Inc. goes on record as supporting HB 299, which would raise the property tax exemption for seniors 65 and older from \$150,000.00 to \$250,000.00, and

Further be it resolved, that the Board of Directors for Homer Senior Citizens, Inc. supports legislation that would provide funding from the State to cover the loss of property tax revenue to Cities and Boroughs.

Signed this 31st day of March, 2006.

Rosie Tupper, Secretary 
Signature of Secretary of Homer Senior Citizens, Inc. Board of Directors