

NOT INTRODUCED 12/1/09

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Dept. of Law
For reading: December 1, 2009

**ANCHORAGE, ALASKA
AO No. 2009-133(S)**

1 **AN ORDINANCE REPEALING ANCHORAGE MUNICIPAL CODE SECTION**
2 **12.15.012, AND REPEALING AND REENACTING SECTION 12.15.015 TO CODIFY**
3 **STATE LAW EXEMPTIONS, PROVIDE FILING DEADLINES, AND OUTLINE THE**
4 **ADMINISTRATIVE AND JUDICIAL APPEAL PROCESS.**
5

6
7 **THE ANCHORAGE ASSEMBLY ORDAINS:**
8

9 **Section 1.** Anchorage Municipal Code section 12.15.012 is repealed in its entirety.
10 A copy of the repealed section is attached hereto as **Exhibit A.**
11

12 **Section 2.** Anchorage Municipal Code section 12.15.015 is repealed in its entirety
13 and re-enacted as set out below. A copy of the repealed section is attached hereto
14 as **Exhibit B.**
15

16 **12.15.015 Exemptions.**
17

18 **A. Applications for exemptions.** The municipal assessor or designee
19 shall grant or deny applications for exemptions.
20

21 **B. Definitions.**
22

23 For purposes of this section 12.15.015 only, the following words are defined
24 as:
25

26 *Real property* shall include a mobile home, regardless of the classification of a
27 mobile home as personal or real property elsewhere in this Code.
28

29 *Primary residence and permanent place of abode* shall mean a dwelling in
30 which the person resides at least 185 days in the year prior to the exemption
31 year and when absent, the dwelling is not leased or rented to another.
32

33 *Resident* shall mean a person who has a fixed habitation in the State of
34 Alaska for at least 185 days per calendar year, and when absent, intends to
35 return to the State of Alaska.
36

37 **C. Strict enforcement of deadlines to file an exemption application**
38 **and annual certification.**
39

- 40 1. **Properties qualifying for an exemption under this section**
41 **must be owned and in use on January 1 of the applicable**
42 **tax year. There shall be no proration of taxes under this**
43 **section.**

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2 2 [1]. A[N] **written** application for exemption under this section,
3 including required documentation, must be received by the
4 assessor no later than March 15 of the tax year in which the
5 exemption is requested.
6

7 [AN ANNUAL CERTIFICATION OF EXEMPTION UNDER THIS SECTION,
8 INCLUDING REQUIRED DOCUMENTATION, MUST BE RECEIVED BY THE
9 ASSESSOR NO LATER THAN MARCH 15 OF THE TAX YEAR IN WHICH THE
10 EXEMPTION IS REQUESTED.]
11

12 3. If an exemption has been approved, and there is no change in
13 ownership or use, the owner of record may qualify annually for
14 the exemption in successive tax years by providing annual
15 certification to the assessor that the exempt use of the property
16 remains consistent with the use described in the approved
17 application.
18

19 4. Annual certification shall be in the form prescribed by the
20 assessor, and received by the assessor by no later than March
21 15 of the current tax year.
22

23 **a. For a disabled veteran exemption, see section**
24 **12.15.015 D.2., below.**
25

26 **b. Annual certification is not required for residential real**
27 **property exemption if there is no change in**
28 **ownership, residency or permanent place of abode.**
29

30 5. If the annual certification is not received by the assessor by
31 March 15 of the assessment year, the assessor may remove the
32 exemption.
33

34 6. The deadline for filing an application for exemption, filing an
35 annual certification, requesting an administrative review from the
36 assessor, and filing an appeal to court, shall be strictly enforced
37 and shall not be waived.
38

39 **7. If the assessor determines a property is not eligible for an**
40 **exemption, all taxes, penalty, and interest due for all tax**
41 **years beginning the year the property should have been**
42 **subject to taxation shall be due and owing.**
43

44 **8. No exemption shall be available under this section if the**
45 **real property has been conveyed to the person or**
46 **organization seeking the exemption for the primary purpose**
47 **of obtaining the exemption.**
48

1 **D. Mandatory exemptions under state law.**

2
3 1. **Senior exemption.** The first \$150,000.00 of assessed value of
4 real property is exempt from taxation if it has been owned and
5 occupied as the primary residence and permanent place of
6 abode **of an eligible applicant** prior to January 1 of the
7 exemption year.

8
9 a. Upon initial application, the owner must have been a
10 resident of the State of Alaska for the entire year prior to
11 the exemption year.

12
13 b. Additionally, in each subsequent year the property must
14 be owned and occupied as the primary residence and
15 permanent place of abode for at least 185 days prior to
16 January 1 of the exemption year. To qualify for this
17 exemption the applicant must be:

18
19 i. A resident who has reached the age of 65 prior to
20 January 1 of the year for which the exemption
21 applies; or

22
23 ii. A resident who has reached the age of 60 prior to
24 January 1 of the year for which the exemption
25 applies and is also a widow or widower of a
26 person who qualified to receive a senior tax
27 exemption under this subsection in a previous
28 assessment year.

29
30 c. Only one exemption under section D. may be granted for
31 any residence in any assessment year.

32
33 i. If two or more persons are eligible for an
34 exemption for the same residence, it is the
35 responsibility of the parties to determine who is to
36 receive the benefit of the exemption.

37
38 d. If the property is occupied by a person other than the
39 eligible applicant and their spouse and minor children,
40 this exemption applies only to the portion of the property
41 occupied by the eligible applicant and their spouse and
42 minor children as primary residence and permanent
43 place of abode.

44
45 e. A qualified senior citizen need not file such an application
46 for successive tax years if there is no change in
47 ownership, in residency or permanent place of abode, or
48 other factor affecting qualification for the exemption.
49

1 i. The assessor may require written proof under this
2 section at any time.

3
4 ii. It shall be the responsibility of every person who
5 obtains an exemption under this section to notify
6 the assessor of any change in ownership, property
7 use, residency, permanent place of abode or
8 other factor affecting qualification for the
9 exemption.

10
11 [III. IF THE ASSESSOR DETERMINES THE PROPERTY IS NOT
12 ELIGIBLE FOR EXEMPTION, ALL TAXES, PENALTY, AND
13 INTEREST DUE FOR ALL TAX YEARS BEGINNING THE
14 YEAR THE PROPERTY SHOULD HAVE BEEN SUBJECT TO
15 TAXATION SHALL BE DUE AND OWING.]

16
17 f. Notwithstanding the above, the assessor may waive, up
18 to and including May 15 of the current tax year, the
19 claimant's failure to make timely application for
20 exemption under this subsection for that year and accept
21 the application as timely filed where a serious medical
22 condition of the applicant, or a member of the applicant's
23 immediate family, causes the applicant to miss the
24 deadline.

25
26 i. For the purposes of waiver of claimant's failure to
27 make timely application under this subsection, the
28 Chief Financial Officer is authorized to grant a
29 waiver after denial by the assessor.

30
31 [G. NO EXEMPTION SHALL BE AVAILABLE UNDER THIS
32 SUBSECTION IF THE REAL PROPERTY HAS BEEN CONVEYED TO
33 THE PERSON SEEKING THE EXEMPTION FOR THE PRIMARY
34 PURPOSE OF OBTAINING THE EXEMPTION.]

35
36 2. ***Disabled veteran exemption.*** The first \$150,000.00 of
37 assessed value of real property is exempt from taxation if it has
38 been owned and occupied as the primary residence and
39 permanent place of abode **of an eligible applicant** prior to
40 January 1 of the exemption year. **To qualify for this**
41 **exemption, an applicant shall:**

42
43 a. Upon initial application the owner must have been a
44 resident of the State of Alaska for the entire year prior to
45 the exemption year.

46
47 i [B]. Additionally, in each subsequent year the property
48 must be owned and occupied as the primary
49 residence and permanent place of abode for at

1 least 185 days prior to January 1 of the exemption
2 year; **and** [. TO QUALIFY FOR THIS EXEMPTION THE
3 APPLICANT MUST BE:]
4

5 b [i]. [A PERSON, WHO IS A RESIDENT OF THE STATE, AND WHO]
6 **P**[P]rior to January 1 of the exemption year:
7

8 **i.** [(1)] Separated from the military service of the United
9 States under conditions which are not
10 dishonorable and whose disability was incurred or
11 aggravated in the line of duty in military service of
12 the United States, and whose disability is rated as
13 50 percent or more by the branch of service in
14 which that person served or by the U.S.
15 Department of Veterans Affairs; or
16

17 **ii.** [(2)] Served in the Alaska Territorial Guard, whose
18 disability was incurred or aggravated in the line of
19 duty while serving in the Alaska Territorial Guard,
20 and whose disability is rated as 50 percent or
21 more.
22

23 **c.** **A widow or widower of a person qualified for a**
24 **disabled veteran tax exemption under this**
25 **subsection in a previous assessment year, and who**
26 **is a [A] resident who has reached the age of 60 prior to**
27 **January 1 of the year for which the exemption applies**
28 **[AND IS ALSO A WIDOW OR WIDOWER OF A PERSON WHO**
29 **QUALIFIED TO RECEIVE A DISABLED VETERAN TAX EXEMPTION**
30 **UNDER THIS SUBSECTION IN A PREVIOUS ASSESSMENT YEAR].**
31

32 **d.** Only one exemption under section D. may be granted for
33 any residence in any assessment year.
34

35 **i.** If two or more persons are eligible for an
36 exemption for the same residence, it is the
37 responsibility of the parties to determine who is to
38 receive the benefit of the exemption.
39

40 **e.** If the property is occupied by a person other than the
41 eligible applicant and their spouse and minor children,
42 this exemption applies only to the portion of the property
43 occupied by the eligible applicant and their spouse and
44 minor children as primary residence and permanent
45 place of abode.
46

47 **f.** A qualified disabled veteran need not file such an
48 application for successive tax years if there is no change
49 in ownership, in residency or permanent place of abode,

1 status of disability, or other factor affecting qualification
2 for the exemption.

3
4 i. A disabled veteran who has less than a
5 permanent disability shall submit an official
6 disability percentage letter each year prior to
7 March 15.

8
9 ii. The assessor may require written proof under this
10 section at any time.

11
12 iii. It shall be the responsibility of every person who
13 obtains an exemption under this section to notify
14 the assessor of any change in ownership, property
15 use, residency, permanent place of abode, status
16 of disability or other factor affecting qualification
17 for the exemption.

18
19 [IV. IF THE ASSESSOR DETERMINES THE PROPERTY IS NOT
20 ELIGIBLE FOR EXEMPTION UNDER THIS SUBSECTION,
21 ALL TAXES, PENALTY, AND INTEREST DUE FOR ALL TAX
22 YEARS BEGINNING THE YEAR THE PROPERTY SHOULD
23 HAVE BEEN SUBJECT TO TAXATION SHALL BE DUE AND
24 OWING.]

25
26 g. If the final disability rating required for exemption under
27 this subsection is not determined until after the period of
28 timely filing for exemption has expired, the assessor may
29 waive the claimant's failure to make timely application
30 and accept the application as timely filed for a prior
31 calendar year, only if the applicant files the application for
32 exemption with the assessor within 30 days of applicant's
33 receipt of the final disability rating.

34
35 i. For the purposes of waiver of claimant's failure to
36 make timely application under this subsection, the
37 Chief Financial Officer is authorized to grant a
38 waiver after denial by the assessor.

39
40 [H. NO EXEMPTION SHALL BE AVAILABLE UNDER THIS
41 SUBSECTION IF THE REAL PROPERTY HAS BEEN CONVEYED TO
42 THE PERSON SEEKING THE EXEMPTION FOR THE PRIMARY
43 PURPOSE OF OBTAINING THE EXEMPTION.]

44
45 **3. Nonprofit religious, charitable, cemetery, hospital or**
46 **educational exemption.**

47
48 a. Property used exclusively for nonprofit religious,
49 charitable, cemetery, hospital or educational purposes, is

1 exempt from taxation under this chapter for the calendar
2 year in which application is timely filed, if the assessor or
3 designee determines the application demonstrates the
4 property qualifies for exemption under Alaska Statutes.

5
6 [i. NO EXEMPTION UNDER THIS SUBSECTION SHALL BE
7 APPROVED, EXCEPT UPON WRITTEN APPLICATION ON A
8 FORM PRESCRIBED BY THE ASSESSOR.]
9

10 **b [ii].** To determine the exempt status of property under this
11 subsection, the applicant organization shall provide the
12 following information to the assessor or designee:

13
14 **i. [(1)]** The articles of incorporation.

15
16 **ii. [(2)]** Documentation to support the organization's not-
17 for-profit status (i.e., IRS §501(c)(3) determination
18 letter, or equivalent).

19
20 **iii. [(3)]** Description of the use of the property and
21 consistency with the requested exemption.
22

23 **iv. [(4)]** Contracts of any type describing or memorializing
24 use of the property by a person or entity other
25 than the applicant organization.
26

27 **v. [(5)]** Description of any remuneration received by the
28 applicant organization including:
29

30 **(1) [(a)]** Any property, or portion of property, from
31 which rentals or income are derived.
32

33 **(2) [(b)]** Actual operating expenses, excluding
34 debt service or depreciation.
35

36 **vi. [(6)]** Financial statements for the past tax year
37 including income and expense reports, and
38 description of any debt service or depreciation
39 included in the financial statements for the
40 property.
41

42 **vii. [(7)]** For property used for an educational purpose,
43 the detail of course curriculum and classroom
44 space.
45

46 **viii. [(8)]** For property used as a religious residence, the
47 detail of the resident's ordination, commission or
48 license (according to the standards of the religious
49 organization), and proof of resident's employment

by the religious organization as its minister.

c. [IV]. The municipal assessor or designee may request additional information prior to its determination, as reasonably necessary to determine the exempt status of a property in accordance with municipal code and regulations and state law.

[iv. UNDER THIS SUBSECTION, THERE SHALL BE NO PRORATION OF TAXES FOR EXEMPTIONS. PROPERTIES QUALIFYING FOR AN EXEMPTION SHALL BE IN USE UNDER THE EXEMPT PURPOSE AS OF JANUARY 1 OF THE YEAR FOR WHICH THE EXEMPTION IS GRANTED.]

[IF THE APPLICATION FOR EXEMPTION UNDER THIS SUBSECTION IS APPROVED BY THE ASSESSOR, AND THERE IS NO CHANGE IN OWNERSHIP OR USE, THE OWNER OF RECORD MAY QUALIFY ANNUALLY FOR THE EXEMPTION IN SUCCESSIVE TAX YEARS BY PROVIDING CERTIFICATION AS DESCRIBED IN SECTION C ABOVE.]

E. Municipal exemptions.

1. **Residential real property exemption. Ten percent of the assessed value of residential real property, up to a maximum of \$20,000.00 of assessed value, shall be exempt from property taxation if:**

a [I]. Upon initial application, the **eligible applicant** [OWNER] must have been a resident of the State of Alaska for the entire year prior to the exemption year; **and** [.]

b [A]. [TEN PERCENT OF THE ASSESSED VALUE OF RESIDENTIAL REAL PROPERTY, UP TO A MAXIMUM OF \$20,000.00 OF ASSESSED VALUE, SHALL BE EXEMPT FROM PROPERTY TAXATION IF] **I**[T]he property has been owned and occupied as the [OWNER'S] primary residence and permanent place of abode **of an eligible applicant** for at least 185 days in the year prior to January 1 of the exemption year.

c [II]. In each subsequent year, the property shall be owned and occupied as the primary residence and permanent place of abode of the **eligible applicant** [OWNER] for at least 185 days in the year prior to January 1 of the exemption year.

[NO EXEMPTION UNDER THIS SUBSECTION SHALL BE GRANTED, EXCEPT UPON WRITTEN APPLICATION ON A FORM PRESCRIBED BY THE ASSESSOR.]

1
2 d [III]. The [IS] residential real property exemption may be
3 combined, in whole or in part, with an exemption
4 provided in subsection 12.15.015 D. above [SHALL ALSO
5 APPLY TO PROPERTY PARTIALLY EXEMPT UNDER THIS
6 SECTION].
7

8 e [B]. An [EACH] owner-occupied, multi-family housing structure
9 is eligible for the exemption as long as the structure is
10 used as the eligible applicant's [OWNER'S] primary
11 residence and permanent place of abode for at least 185
12 days in the year prior to January 1 of the exemption year.
13

14 [NOTWITHSTANDING SECTION C. ABOVE, THE OWNER OF
15 RECORD IS NOT REQUIRED TO FILE AN UPDATED APPLICATION
16 FOR SUCCESSIVE TAX YEARS, IF THERE IS NO CHANGE IN
17 OWNERSHIP, RESIDENCY, OR PERMANENT PLACE OF ABODE.]
18

19 f [D]. Only t[T]he owner of record shall file the application for
20 an exemption under this section [WITH THE ASSESSOR NO
21 LATER THAN MARCH 15 OF THE ASSESSMENT YEAR FOR WHICH
22 THE EXEMPTION IS SOUGHT].
23

24 g [F]. [FOR THIS EXEMPTION ONLY,] A[A]n appeal of a decision by
25 the assessor to deny a residential real property
26 exemption [AN EXEMPTION UNDER THIS SUBSECTION] is not
27 subject to administrative review, and shall [ONLY] be
28 filed with the Superior Court, Third Judicial District,
29 Alaska.
30

31 i. Only the owner of record may appeal an
32 exemption denial under this subsection; and
33

34 ii. An appeal must be filed within 30 days of receipt
35 of written notice from the assessor of such denial.
36

37 h [G]. The deadline for filing an application for the residential
38 real property exemption shall be strictly enforced and
39 cannot be waived.
40

41 2. Community purpose exemption. In order to qualify for a
42 community purpose exemption:
43

44 a. [IF THE ASSESSOR OR DESIGNEE DETERMINES A TIMELY
45 APPLICATION DEMONSTRATES QUALIFICATION FOR EXEMPTION
46 UNDER THIS SUBSECTION, PROPERTY OF] A[a]n organization
47 shall be [NOT] organized for [BUSINESS OR] not for profit-
48 making purposes; and

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- b. **The organization's property is** used exclusively for community purposes; **and**

- c. **Any** [IS EXEMPT FROM TAXATION ONLY IF THE] income derived from rental of property **shall** [DOES] not exceed the actual cost to the owner of the use by the renter.

- d [B]. Community purpose property is:
 - i. Property dedicated to permanent use by the general public and provides a benefit to the community as a whole.

 - ii. Vacant land, dedicated to permanent use by the general public, obtained and owned by a nonprofit organization exclusively for uses which qualify for exemption under AS 29.45.030 may qualify for an exemption for the calendar year in which an application is timely filed, if the assessor, or designee, determines the application demonstrates the property qualifies for exemption.
 - (1) Vacant land qualifies for an exemption only if it is placed in use within two years from January 1 of the first tax year for which an application is filed.

 - (2) Any vacant land which initially qualifies for an exemption under this section, but which is not placed in use within two years from January 1 of the first tax year for which an application is filed, shall be subject to taxation in each tax year, retroactive to the first tax year for which the exemption was granted.

 - (3) In determining the aggregate value of vacant land per taxpayer under this exemption, the assessed value of all vacant land for which the taxpayer claims this exemption shall be aggregated with the assessed value of all other vacant land for which another claims this exemption and in which the taxpayer has any ownership or effective controlling interest of any kind, either direct or indirect, and regardless of whether such interest is legal, equitable, prospective, anticipatory, future, contingent

1 or not in writing.

2
3 [THERE SHALL BE NO PRORATION OF TAXES UNDER THIS
4 SECTION. PROPERTIES QUALIFYING FOR AN EXEMPTION UNDER
5 THIS SECTION MUST BE IN USE AS OF JANUARY 1 OF THE
6 APPLICABLE TAX YEAR.]
7

8 e [c]. Actual costs are costs necessary for operating expenses,
9 excluding only debt service or depreciation.

10
11 f [E]. To determine the exempt status of property under this
12 subsection, the applicant organization shall provide the
13 following information to the assessor or designee:
14

15 i. The articles of incorporation.

16
17 ii. Documentation to support the organization's not-
18 for-profit status (i.e., IRS §501(c)(3) determination
19 letter, or equivalent).
20

21 iii. Description of the use of the property and
22 consistency with the requested exemption.
23

24 iv. Contracts of any type describing or memorializing
25 use of the property by a person or entity other
26 than the applicant organization.
27

28 v. Description of any remuneration received by the
29 applicant organization including:
30

31 (1) Any property, or portion of property, from
32 which rentals or income are derived.
33

34 (2) Actual operating expenses, excluding only
35 debt service or depreciation.
36

37 vi. Financial statements for the past tax year
38 including income and expense reports, and
39 description of any debt service or depreciation
40 included in the financial statements for the
41 property.
42

43 viii. Under this subsection, there shall be no proration
44 of taxes for exemptions. Properties qualifying for
45 an exemption shall be in use under the exempt
46 purpose as of January 1 of the year for which the
47 exemption is granted.
48

49 ix. The municipal assessor or designee may request

1 additional information prior to its determination, as
2 reasonably necessary to determine the exempt
3 status of a property in accordance with municipal
4 code and regulations and state law.
5

6 [IF THE APPLICATION FOR THE COMMUNITY PURPOSE EXEMPTION IS
7 APPROVED BY THE ASSESSOR, AND THERE IS NO CHANGE IN
8 OWNERSHIP AND USAGE REQUIREMENTS ARE MET, THE OWNER OF
9 RECORD MAY QUALIFY ANNUALLY FOR THE EXEMPTION IN SUCCESSIVE
10 TAX YEARS BY PROVIDING ANNUAL CERTIFICATION AS DESCRIBED IN
11 SECTION C. ABOVE.]
12

13 **3. Historic Sites, Buildings and Monuments. In order to**
14 **qualify for an historic sites, buildings and monuments**
15 **exemption:**

16
17 **a. The property shall be registered on the National**
18 **Register of Historic Places; and**

19
20 **b. The property shall be restricted by an historic**
21 **preservation easement that runs with the land, and is**
22 **binding on the owner and all future owners in**
23 **perpetuity. The applicant shall provide a copy of the**
24 **preservation easement as part of the application; and**

25
26
27 **c. Non-private areas of the property shall be open to the**
28 **public during regular business hours; and**

29
30 **d. The applicant organization shall provide the**
31 **following information to the assessor or designee for**
32 **an exemption determination:**

33
34 **i. Description of the use of the property and**
35 **consistency with the requested exemption.**

36
37 **ii. The municipal assessor or designee may**
38 **request additional information prior to its**
39 **determination, as reasonably necessary to**
40 **determine the exempt status of a property in**
41 **accordance with municipal code and**
42 **regulations and state law; and**

43
44 **e. An historic sites, buildings and monuments**
45 **exemption shall reflect the limitation on the potential**
46 **economic use of the property as described in the**
47 **historic preservation easement.**
48

f. **Assembly approval is required, prior to final determination of exemption by the assessor.**

F. ADMINISTRATIVE REVIEW OF DENIAL OF EXEMPTION.

1. If an application for exemption under this section 12.15.015 is denied, the assessor or designee shall state the reason for the denial in written notice to the owner of record.
2. A denial by the designee is subject to administrative review by the assessor if written request from the owner of record is received by the assessor no later than 30 days after the denial.
3. Only an owner of record may request administrative review of the denial of an exemption.
4. For purposes of computing time, the date of mailing the written notice shall be deemed the date of the denial and the government postmark date shall be deemed the date of receipt by the assessor of the request for administrative review.

G. JUDICIAL APPEAL OF DENIAL OF EXEMPTION.

1. Only the owner of record may appeal a decision by the assessor to deny an exemption under this section to the Superior Court, Third Judicial District, Alaska.
2. An appeal of the assessor's denial of an application for exemption under this section 12.15.015 must be filed with the Superior Court within 30 days of the assessor's denial.
3. For purposes of computing time, the date of mailing by the assessor shall be deemed the date of the assessor's denial.

State law reference: AS 29.45.050(b)(A).

Section 3. This ordinance shall be effective on January 1, 2010.

PASSED AND APPROVED by the Anchorage Assembly this _____ day of _____, 2009.

Chair of the Assembly

ATTEST:

Municipal Clerk

Exhibit A: AMC section 12.15.012

12.15.012 Residential real property exemption.

- A. Ten percent of the assessed value of residential real property, up to a maximum of \$20,000.00 of assessed value, shall be exempt from property taxation if the property has been owned and occupied as the owner's primary residence and permanent place of abode for at least 185 days in the year prior to January 1 of the exemption year. Upon initial application, the owner must have been a resident of the State of Alaska for the entire year prior to the exemption year. Additionally, in each subsequent year, the property shall be owned and occupied as the primary residence and permanent place of abode of the owner for at least 185 days in the year prior to January 1 of the exemption year.
1. As used in this section, the terms "real property," "primary residence and permanent place of abode," and "resident," shall have the same meaning as used in Section 12.15.015 and shall include owner-occupied mobile homes, including mobile homes as defined in Section 12.10.010A.2.
 2. Each owner-occupied, multi-family housing structure is eligible for the exemption as long as the structure is used as the owner's primary residence and permanent place of abode for at least 185 days in the year prior to January 1 of the exemption year.
 3. This exemption shall also apply to property partially exempt under Section 12.15.015.
- B. No exemption under this section shall be granted, except upon written application on a form prescribed by the assessor. The owner of record shall file the application for an exemption under this section with the assessor no later than March 15th of the assessment year for which the exemption is sought. The owner of record shall not be required to file an updated application for successive tax years, if there is no change in ownership, residency, or permanent place of abode.
- C. The owner of record may only appeal a decision by the assessor to deny an exemption under this section to the Superior Court, Third Judicial District, Alaska. An appeal must be filed within 30 days of receiving written notice from the assessor of such denial. The deadline for filing an application for the exemption shall be strictly enforced and cannot be waived.

(AO No. 2004-167, § 2, 12-14-04)

Exhibit B: AMC section 12.15.015

12.15.015 Exemptions.

- A. The first \$150,000.00 of assessed value of real property is exempt from taxation if it has been owned and occupied as the primary residence and permanent place of abode prior to January 1 of the exemption year. Upon initial application the owner must have been a resident of the State of Alaska for the entire year prior to the exemption year. Additionally, in each subsequent year the property must be owned and occupied as the primary residence and permanent place of abode for at least 185 days prior to January 1 of the exemption year. The assessor, for good cause shown, may waive the occupancy requirement during calendar year due to extreme personal hardship.

To qualify for this exemption the applicant must be:

1. A resident who has reached the age of 65 prior to January 1 of the year for which the exemption applies; or
 2. A person, who is a resident of the state, and who prior to January 1 of the exemption year:
 - a. Separated from the military service of the United States under conditions which are not dishonorable and whose disability was incurred or aggravated in the line of duty in military service of the United States, and whose disability is rated as 50 percent or more by the branch of service in which that person served or by the U.S. Department of Veterans Affairs; or
 - b. Who served in the Alaska Territorial Guard, whose disability was incurred or aggravated in the line of duty while serving in the Alaska Territorial Guard, and whose disability is rated as 50 percent or more; or
 3. A resident who has reached the age of 60 prior to January 1 of the year for which the exemption applies and is also a widow or widower of a person who qualified to receive a tax exemption under subsection A.1 or A.2 of this section in a previous assessment year.
- B. Only one exemption may be granted under this section for any single piece of real property in any assessment year.
- C. If the property is occupied by a person other than the eligible applicant and their spouse and minor children, this exemption applies only to the portion of the property occupied by the eligible applicant and their spouse and minor children as primary residence and permanent place of abode.

Exhibit B: AMC section 12.15.015

- D. Written application for exemption under this section on a form prescribed by the assessor shall be filed no later than January 15 of the assessment year to which the exemption shall apply. A qualified senior citizen or disabled veteran need not file such an application for successive tax years if there is no change in ownership, in residency or permanent place of abode, status of disability, or other factor affecting qualification for the exemption. A disabled veteran who has less than a permanent disability must submit an official disability percentage letter each year prior to January 15. The assessor may require proof under this section at any time. It shall be the responsibility of every person who obtains an exemption under this section to notify the assessor of any change in ownership, property use, residency, permanent place of abode, status of disability or other factor affecting qualification for the exemption. If the assessor determines that the property is not eligible for this exemption, all taxes, penalty, and interest due for all tax years beginning the year the property should have been subject to taxation shall be due and owing. The governing body, for good cause shown, may waive during a calendar year the claimant's failure to make timely application for exemption for that year and authorize the assessor to accept the application as timely filed. If the final disability rating required for exemption under subSection 12.15.015A.2 is not determined until after the period of timely filing for exemption has expired, the governing body may waive the claimant's failure to make timely application and authorize the assessor to accept the application as timely filed for a prior calendar year, only if the applicant files the application for exemption with the assessor within 30 days of applicant's receipt of the final disability rating. For the purposes of this subsection the mayor is authorized to act on behalf of the governing body. If the mayor denies an application for waiver under this section the applicant may, within 15 days of receiving notice of rejection, appeal to the assembly by delivering a copy of the request for exemption submitted to the mayor, the mayor's rejection notice, and a request for review by the assembly to the municipal clerk. On appeal the assembly may, based upon an independent evaluation of the circumstances presented to the mayor, find good cause and grant the application for waiver.
- E. No exemption shall be available under this section if the real property has been conveyed to the person seeking the exemption for the primary purpose of obtaining the exemption. A person may appeal a decision by the assessor to deny an exemption under this section to the Superior Court, Third Judicial District.
- F. As used in this section, the term "real property" includes a mobile home, regardless of the classification of a mobile home as personal or real property elsewhere in this Code.

Exhibit B: AMC section 12.15.015

- G. As used in this section, the term "primary residence and permanent place of abode" means a dwelling in which the person resides at least 185 days in the year prior to the exemption year and when absent, the dwelling is not leased or rented to another.
- H. As used in this section, the term "resident" means a person who has a fixed habitation in the State of Alaska for at least 185 days per calendar year, and when absent, intends to return to the State of Alaska.
- I. Community purpose property. Property of an organization not organized for business or profit-making purposes and used exclusively for community purposes is exempt from taxation under this chapter. Property or a part of the property from which rentals or income are derived, is exempt from taxation if the income derived does not exceed the actual cost to the owner of the use by the renter or user. The municipal assessor shall grant or deny applications for exemption and may require such information as is reasonably necessary to determine the exempt status of a property in accordance with the guidelines under this subsection F.
1. Community purpose property is:
 - a. Property which is dedicated to permanent use by the general public and provides a benefit to the community as a whole.
 - b. Vacant land, not exceeding an aggregate of \$100,000.00 in assessed valuation per taxpayer, obtained and owned by a nonprofit organization that is to be used exclusively for purposes which qualify for exemption under AS 29.45.030.
 - i. Vacant land qualifies for an exemption only if it is placed in use within two years from January 1 of the appropriate tax year.
 - ii. Any property which initially qualifies for an exemption under this subsection, but which is not placed in use in accordance with subsection F.1.b.1 of this subsection F, shall be subject to taxation in the tax year for which the exemption was granted.
 - iii. In determining the aggregate value of vacant land per taxpayer allowed an exemption under this subsection F., the assessed value of all vacant land for which the taxpayer claims this exemption shall be aggregated with the assessed value of all other vacant land for which another claims this exemption and in which the taxpayer has any ownership or effective controlling

Exhibit B: AMC section 12.15.015

interest of any kind, either direct or indirect, and regardless of whether such interest is legal, equitable, prospective, anticipatory, future, contingent or not in writing.

- iv. The exemption for any one parcel may not exceed \$25,000.00.
2. There shall be no proration of taxes under this section. Properties qualifying for an exemption under this section must be in use as of January 1 of the applicable tax year.
3. Actual costs are those costs necessary for operating expenses, but does not include debt service or depreciation.
4. Applications for exemption under this section must be received by the assessor no later than March 15 of the tax year for which the exemption is requested.
5. Final authority for determining the exempt status of property under this section rests with the municipal assessor. Notwithstanding a decision under appeal through the superior court as provided below, the decision of the assessor is final.
6. A person may appeal a decision by the assessor to deny an exemption under this section to the Superior Court, Third Judicial District, Alaska.

(AO No. 86-211(S-1); AO No. 88-158; AO No. 92-56; AO No. 94-228(S-2), § 1, 2-7-95; AO No. 95-199, § 1, 1-1-96; AO No. 97-146, § 1, 1-1-98; AO No. 2003-149, § 1, 11-4-03; AO No. 2008-18, § 1, 2-12-08)

State law references: Similar provisions, AS 29.45.030.

Editor's note: Section 2 of AO No. 2008-18 states that this ordinance shall apply retroactively to applications filed with the assessor on and after Jan. 1, 2008.

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Type: Ordinance - AO

AO 2009-133 (S) AN ORDINANCE REPEALING ANCHORAGE MUNICIPAL CODE SECTION 12.15.012, AND REPEALING AND REENACTING SECTION

Title: 12.15.015 TO CODIFY STATE LAW EXEMPTIONS, PROVIDE FILING DEADLINES, AND OUTLINE THE ADMINISTRATIVE AND JUDICIAL APPEAL PROCESS.

Author: westoverf

Initiating Dept: Legal

Review Depts: MuniManager

Description: AO 2009-133 (S) version AN ORDINANCE REPEALING AMC 12.15.012, & REPEALING & REENACTING 12.15.015 TO CODIFY STATE LAW EXEMPTIONS, PROVIDE FILING DEADLINES, & OUTLINE ADMINISTRATIVE & JUDICIAL APPEAL PROCESS.

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