

CS FOR HOUSE BILL NO. 170(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 3/15/12

Referred: Rules

Sponsor(s): REPRESENTATIVES FEIGE, Gara

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to an optional municipal property tax exemption for certain residences**
2 **of volunteer emergency services personnel and the widows and widowers of volunteer**
3 **emergency services personnel; and providing for an effective date."**

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

5 * **Section 1.** AS 29.45 is amended by adding a new section to read:

6 **Sec. 29.45.054. Exemption for certain residences of volunteer emergency**
7 **services personnel.** (a) Unless exempted under AS 29.45.030(e), the real property
8 owned and occupied as the primary residence and permanent place of abode by a
9 resident who serves as a volunteer with a fire department or emergency medical or
10 rescue services agency or who is the widow or widower of a person who was a
11 volunteer with a fire department or emergency medical or rescue services agency at
12 the time of the person's death may by ordinance be exempted from taxation, other than
13 taxation for road service areas established under AS 29.35.450, on up to the first
14 \$150,000 of the assessed value of the real property. Only one exemption 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 and 44.62.570.

8 (b) In addition to other requirements, a person qualifies as a volunteer for
9 purposes of this section only if the person has been a volunteer of the fire department
10 or emergency medical or rescue services agency for at least two years before the date
11 the municipality receives the application for the exemption and the person meets
12 standards for the determination of active volunteer status that have been jointly
13 established by the fire department or emergency medical or rescue services agency
14 and the municipality. To be eligible for an exemption under this section for a year, a
15 municipality may by ordinance require that an individual also meet requirements
16 under one of the following paragraphs:

17 (1) the individual shall be eligible for a permanent fund dividend under
18 AS 43.23.005 for that same year or for the immediately preceding year; or

19 (2) if the individual has not applied or does not apply for one or both
20 of the permanent fund dividends identified in (1) of this subsection, the individual
21 would have been eligible for one of the permanent fund dividends had the individual
22 applied.

23 (c) An exemption may not be granted under this section except on written
24 application for the exemption. If an application is filed within the required time and is
25 approved by the assessor, the assessor shall allow an exemption in accordance with the
26 provisions of this section. If the application for exemption is approved after taxes have
27 been paid, the amount of tax that the claimant has already paid for the property
28 exempted shall be refunded to the claimant. The assessor shall require proof in the
29 form the assessor considers necessary of the right to and amount of an exemption
30 claimed under this section. The assessor may require proof under this subsection at
31 any time.

1 (d) The state may reimburse a borough or city, as appropriate, for the real
2 property tax revenue lost to it by permitting exemptions under this section. However,
3 if the state reimburses a municipality under this subsection, reimbursement may be
4 made to a municipality for revenue lost to it only to the extent that the loss exceeds an
5 exemption that was granted by the municipality or that, on proper application by an
6 individual, would have been granted under AS 29.45.050(a). If the state reimburses
7 municipalities under this subsection, but appropriations are not sufficient to fully fund
8 reimbursements under this subsection, the amount available shall be distributed pro
9 rata among eligible municipalities.

10 (e) Nothing in this section affects similar exemptions from property taxes
11 granted by a municipality on September 10, 1972, or prevents a municipality from
12 granting similar exemptions by ordinance as provided in AS 29.45.050.

13 (f) In this section,

14 (1) "real property" includes mobile homes, whether classified as real or
15 personal property for municipal tax purposes;

16 (2) "volunteer" has the meaning given in AS 18.15.250.

17 * **Sec. 2.** This Act takes effect immediately under AS 01.10.070(c).