

Introduced by: Carey
Date: Dec. 15, 1987
Hearing: Jan 19, 1988
Vote: 15 No, 1 Yes
Action: Defeated

KENAI PENINSULA BOROUGH

ORDINANCE 87-68

REPEALING A SENIOR CITIZEN TAX EXEMPTION THAT EXCEEDS THE EXEMPTION GRANTED BY STATE STATUTES.

WHEREAS, AS 29.45.030(e) grants an exemption of \$150,000 on the assessed value of the real property owned and occupied as the primary residence and permanent place of abode by a resident 65 years of age or older, a disabled veteran, or the surviving spouse of either; and

WHEREAS, AS 29.45.030(g) provides that the State of Alaska shall reimburse the borough for tax revenues lost because of the exemption of AS 29.45.030(e); and

WHEREAS, the percentage of such reimbursement from the State to the borough for FY 1986-87 was only 46% and reimbursement for 1987-88 is projected to be only 26-27%; and

WHEREAS, AS 29.45.050(i) allows a municipality to grant an optional exemption that exempts from taxation the assessed value that exceeds the \$150,000 exemption granted by AS 29.45.030(e); and

WHEREAS, the assembly passed and borough voters approved that optional exemption; and

WHEREAS, that optional exemption negatively impacts the finances of the borough, in that the borough loses substantial tax revenue because of the exemption;

NOW THEREFORE, BE IT ORDAINED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

Section 1. That KPB 5.12.105(A) is hereby amended to read as follows:

5.12.105 Exemptions--Senior citizens, disabled veterans, and surviving spouses--[ASSESSSED VALUATION IN EXCESS OF THE EXEMPTION GRANTED BY STATE STATUTES]. A. [THE TOTAL ASSESSED VALUATION OF] A parcel or lot, whichever is less, of real property [IN EXCESS OF THE EXEMPTION PROVIDED BY AS 29.45.030(e)] owned and occupied as a permanent place of abode by a resident who is (1) 65 years of age or older; (2) a disabled veteran; or (3) at least 60 years of age and a widow or widower of a person who qualified for an exemption under (1) or (2) of this subsection shall be exempt

from borough tax levy on real property within the Kenai Peninsula Borough, according to the provisions of AS 29.45.030(e).

Section 2. That this ordinance takes effect immediately upon its enactment.

~~ENACTED~~
~~DEFEATED~~
THIS _____ DAY OF _____, 1988.

Jonathan W. Sewall, Assembly President

ATTEST:

Borough Clerk