

Introduced by: Anderson, Scalzi
Date: 11/17/92
Hearing: 12/15/92
Postponed to: 1/19/93
Amended: 1/19/93
Action: Enacted
Vote: 6 yes, 3 no

KENAI PENINSULA BOROUGH
ORDINANCE 92-56

**AN ORDINANCE ADOPTING A CODE PROVISION EXCLUDING
VESSELS FROM TAXATION IF PRESENT IN THE BOROUGH
SOLELY FOR SEASONAL LAY-UP OR REPAIRS**

WHEREAS, vessels domiciled and operating in other areas are deterred from using lay-up and repair facilities located within the borough due to the current tax situs determinations of the borough under existing law; and

WHEREAS, enacting an ordinance providing that vessels located in the borough on a temporary basis for lay-up or repair would not acquire a taxable status serves the interests of the borough by removing an impediment to the development of vessel service, lay-up and repair facilities within the borough;

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

SECTION 1. That KPB 5.12.150 is amended to read:

5.12.150. Assessments - Boats - Repair exemption - Appeal.

A. For purposes of taxation, boats and vessels subject to a tax shall be assessed on the basis of full and true value.

B. Vessels having a home port in a location outside the borough boundaries brought into and remaining in the borough solely for the purposes of repair, servicing or seasonal storage in a boatyard licensed to collect sales tax shall not be deemed to have established a taxable situs in the borough. The assessor may make inquiry and gather information necessary to determine whether a vessel meets the conditions of this section and failure of the vessel owner to supply information necessary to the assessor to make a determination will preclude the owner from claiming nontaxable status for borough taxes. Determination of tax situs under this section only applies to borough and service area tax levies and taxability of a vessel within a city will be governed by the provisions of

the cities tax ordinances and AS 29.45. Vessels that fish in or deliver their catch within the borough shall not be entitled to any exemption under this subsection.

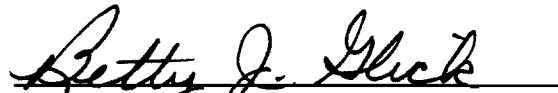
C. For purposes of this section, home port means a vessel's normal base of operation unless the owner resides in the borough or has a base of operations in the borough, at which this vessel regularly calls, in which case, the home port shall be deemed to be in the borough.

D. A vessel owner may appeal the determination of the borough assessor under this section, using the procedures set out in KP.B 5.12.050-.060.

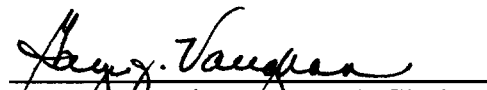
E. Subsections B, C and D of this section shall be automatically repealed on December 31, 1995 unless the assembly by ordinance has altered or extended that date.

SECTION 2. That this ordinance shall take effect at 11:59 p.m., on December 31, 1992.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH ON THIS
19th DAY OF January, 1992.


Betty J. Glick, Assembly President

ATTEST:


Gaye J. Vaughan, Borough Clerk