

Introduced by: Brown
Date: 1/19/93
Hearing: 3/02/93
Postponed to: 4/06/93
Action: Enacted as Amended
Vote: Unanimous

**KENAI PENINSULA BOROUGH
ORDINANCE 93-03**

**AN ORDINANCE AMENDING THE KPB TAX CODE TO INCLUDE AN
EXEMPTION FOR CERTAIN ECONOMIC DEVELOPMENT PROPERTY**

WHEREAS, ownership and development of certain property is essential to further economic development in the Borough; and

WHEREAS, state law allows municipalities to exempt previously untaxed property used in a trade or business that enhances economic development in the municipality;

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

SECTION 1. That the KPB Code of Ordinances is amended by adding a new section to read as follows:

5.12.116. Economic Development Property Exemption.

A. The assessed value of property used for economic development, as defined in this section, is partially exempt from borough property taxes, under the conditions listed in this section.

B. "Property used for economic development", as used in this section, means that part of real or personal property, as determined by the borough assessor, that:

1. Has not previously been taxed as real or personal property by the borough;
2. Is used in a trade or business in a way that
 - a. Creates employment in the borough; and
 - b. Generates sales outside of the borough of goods or services produced in the borough; or materially reduces the importation of goods or services from outside the municipality;

3. Has not been used in the same trade or business in another municipality for at least six months before the application for exemption is filed; this paragraph does not apply if the property was used in the same trade or business in an area that has been annexed to the municipality within six months before the application for deferral or exemption is filed; and this paragraph does not apply to inventories.

C. The exemption shall be for fifty percent (50%) of the assessed value of the property, for up to five consecutive years.

D. Any proposal must be approved by assembly resolution after public hearing.

E. In order to qualify for this exemption, an applicant must file, with the borough assessor, a written application for the exemption no later than January 15 of each assessment year for which the exemption is sought. The application shall be on a form prescribed by the borough assessor, and shall include all information determined to be necessary by the assessor to determine eligibility of the property for the exemption. If the applicant fails or refuses to provide information required or requested by the assessor, within the time period set by the assessor, the exemption shall be denied. The assessor may make an independent investigation of the application or property in making a determination under this section. The assessor shall notify the applicant, in writing, of the assessor's determination on the application for exemption.

F. An applicant delinquent in the registration for, filing of a return for, or payment of, any borough or city property or sales tax, or borough special assessment, may not be granted an exemption under this section.

SECTION 2. SPECIAL NOTICE. Pursuant to AS 29.45.050(m), notice is hereby given that this ordinance, if passed, may be repealed by the voters through referendum.

SECTION 3. That this ordinance takes effect January 1, 1994.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH ON THIS 6th DAY OF APRIL, 1993.


Betty J. Glick, Assembly President

ATTEST:


Gaye J. Vaughan, Borough Clerk