

Introduced by: Tax Sub-Committee
Date: 6/06/95
Hearing: 7/11/95
Action: Enacted
Vote: 6 Yes, 3 No

**KENAI PENINSULA BOROUGH
ORDINANCE 95-21**

**AN ORDINANCE REMOVING THE SUNSET PROVISIONS OF KPB 5.12.150
FOR THE TAX EXCLUSION FOR VESSELS WHERE THEY ARE IN THE
BOROUGH SOLELY FOR LAY-UP OR REPAIRS**

WHEREAS, the exclusion contained in KPB 5.12.150 will expire on December 31, 1995;

WHEREAS, this provision should continue;

**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 KPB 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[E. SUBSECTIONS B, C AND D OF THIS SECTION SHALL BE AUTOMATICALLY REPEALED ON DECEMBER 31, 1995 UNLESS THE ASSEMBLY BY ORDINANCE HAS ALTERED OR EXTENDED THAT DATE.]

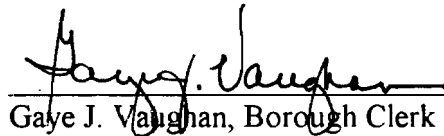
SECTION 2. That this ordinance shall take effect immediately upon its enactment.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH ON THIS 11th
DAY OF JULY, 1995.**



Andrew P. Scalzi, Assembly President

ATTEST:



Gaye J. Vaughan, Borough Clerk