

Introduced by:	Mayor
Date:	08/05/08
Action:	Introduced and Set for Public Hearing
Shortened Hearing:	08/19/08
Action:	Enacted as Amended
Vote:	9 Yes, 0 No, 0 Absent

**KENAI PENINSULA BOROUGH
ORDINANCE 2008-24**

**AN ORDINANCE ALLOWING FOR A LATE-FILED HABITAT PROTECTION
TAX CREDIT FOR PROPERTIES EXCEEDING THE \$300,000 SENIOR CITIZEN
EXEMPTION WHERE CONSTRUCTION WAS COMMENCED IN 2005, 2006, OR 2007**

WHEREAS, AS 29.45.046 authorizes a river habitat protection tax credit; and

WHEREAS, pursuant to KPB 5.14 a tax credit for habitat protection projects of 50 percent of the tax levied on the land or the costs incurred on the project, whichever is less; and

WHEREAS, a \$300,000 cap on the senior exemption from real property taxes was approved by the voters and became effective January 1, 2008; and

WHEREAS, there were senior citizen property owners who constructed habitat protection projects who may have qualified for the tax credit but did not apply for it because of their fully exempt status prior to January 1, 2008; and

WHEREAS, these properties may qualify for the first, second, and/or third year of the tax credit; and

WHEREAS, AS 29.45.500(b) allows a refund of taxes exceeding the amount due if the claim for refund is made within one year of the due date; and

WHEREAS, shortened time is necessary for hearing in order for the ordinance to be approved prior to the first installment of taxes being due on September 15, 2008, which may minimize the necessity of refunds;

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

SECTION 1. Notwithstanding KPB 5.14.020(B), senior citizens with property having a taxable value exceeding \$300,000 that was fully exempt from property taxes due to the senior citizen tax exemption during 2005, 2006, or 2007 may submit a late-filed application for the habitat protection tax credit where construction of a project identified in KPB 5.14.040 was commenced on such property in 2005, 2006, or 2007. The property must have received the unlimited senior citizen exemption from taxes during all years for which the tax credit is sought. The application shall be filed by October 17, 2008. Approval shall be granted or denied in writing only after

the processes of Section 2 of this ordinance are met. The application shall include documentation of the costs of the project. The application shall comply with all other provisions of KPB 5.14.020(B).

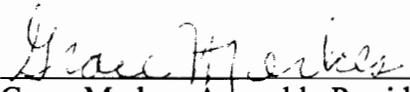
SECTION 2. A site inspection shall be scheduled prior to determining whether the completed project qualifies for the tax credit. The site inspection required by KPB 5.14.020(C) shall take place within 30 days of filing the application. Within 30 business days of the site inspection, the planning director shall issue notice to the applicant whether the completed project qualifies for the tax credit. All other provisions of KPB 5.14.020(C) remain applicable to the tax credit application process.

SECTION 3. Qualified properties that would be in the first year of an allowed tax credit in 2008 qualify for the first, second, and third year tax credit allowed by KPB 5.14.020(C). Qualified properties that would be in the second year of an allowed tax credit in 2008 may qualify for the second and third year tax credit allowed by KPB 5.14.020(D). Qualified properties that would be in the third year of an allowed tax credit in 2008 may qualify for the third year tax credit allowed by KPB 5.14.020(C).

SECTION 4. All other provisions of KPB 5.14 are applicable to the late-filed habitat protection tax credit applications allowed by section 1 of this ordinance.

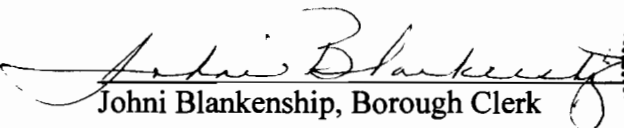
SECTION 5. This ordinance shall become effective immediately upon its enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 19TH DAY OF AUGUST, 2008.



Grace Merkes, Assembly President

ATTEST:


Johni Blankenship, Borough Clerk



Yes: Fischer, Gilman, Knopp, Long, Martin, Smith, Sprague, Superman, Merkes
No: None
Absent: None