

SUBJECT: AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY AMENDING MSB 3.15.030 REQUIRED EXEMPTIONS. CHANGING THE REQUIREMENT OF QUALIFIED DISABLED VETERANS TO FILE A DISABILITY STATUS REPORT ANNUALLY.

AGENDA OF: November 17, 2020

ASSEMBLY ACTION:

Adopted without objection

12-1-20

[Signature]

MANAGER RECOMMENDATION: Introduce and set for public hearing.

APPROVED BY GEORGE HAYS, ACTING BOROUGH MANAGER:

[Signature]

Route To:	Department/Individual	Initials	Remarks
	Originator	<i>BP</i>	
	Finance Director	<i>ay</i>	
	Borough Attorney	<i>SA for N.S.</i>	
	Borough Clerk	<i>BSOA for Item 11-9-20</i>	

MSB

ATTACHMENT (S): Fiscal Note: YES _____ NO X
 Ordinance Serial No. 20-106 (5 pp)
MSB 3.15.030(2pp)

SUMMARY STATEMENT: Assemblymember Stephanie Nowers presents this Informational Memorandum and Ordinance for consideration of the MSB Assembly. MSB 3.15.030(C) requires that disabled veterans who have not received a permanent disability rating to file the Senior Citizen/Disabled Veteran application annually. This amendment would change the requirement for those disabled veterans that do not have a qualifying "permanent" disability rating.

At this time there are 705 applicants that are required to submit a disability status letter from the Veterans Administration every year, many of these letters are not received by the deadline and the exemption is removed. Once the letter is received the assessment office processes them as late files brought before the assembly for approval. During this delay the applicants' taxes become higher and their mortgage payment may be increased. This causes additional time and work on the part of the applicant, assembly, and staff.

This same section of code requires that "Property owners shall notify the borough when the requirements for exemption are no longer met." Additionally, the borough assessor by code may require proof of eligibility at any time.

RECOMMENDATION OF ADMINISTRATION: The Administration respectfully requests adoption of this legislation.

3.15.030 REQUIRED EXEMPTIONS.

(A) The property listed in A.S. 29.45.030 is exempt from general taxation.

(B) An application for an exemption from taxation of property shall be filed with the assessor in accordance with A.S. 29.45.030(f).

(1) To be eligible for the senior citizen or disabled veteran real property tax exemption, the individual must also meet one of the following requirements:

(a) the individual shall be eligible for a permanent fund dividend under A.S. 43.23.005 for that same year or for the immediately preceding year; or

(b) if the individual has not applied or does not apply for one or both of the permanent fund dividends, the individual would have been eligible for one of the permanent fund dividends identified in subsection (B)(1)(a) of this section had the individual applied.

(C) An application for exemption shall be filed no later than April 30th of the assessment year for which the exemption is requested. The assessor may accept an exemption application after April 30th of the assessment year for which the exemption is requested only upon a showing of good cause. The borough assembly, for good cause shown, may waive a senior citizen applicant's failure to make timely application for exemption and authorize the assessor to accept the application as if timely filed. However, good cause shall not be construed to allow the assessor to accept an application beyond two years from the original April 30th deadline for a given year. The assessor shall accept disabled veteran applications for previous tax years only where the disabled veteran has made timely application for each year that the exemption is sought and has received a qualifying retroactive disability evaluation from the Veteran's Administration or applicable branch of service. The borough assembly, for good cause shown, may waive a disabled veteran applicant's failure to make timely application for exemption for prior tax years and authorize the assessor to accept the application as if timely filed. However, good cause shall not be construed to allow the assessor to accept an application beyond two years from the original April 30th deadline for a given year. Senior citizen applicants qualifying for exempt status under this provision, and qualifying disabled veterans, who are permanently disabled, shall not be required to reapply annually, but shall remain in exempt status until such time as changes in the ownership, occupancy, property use, status of disability or other factor affecting the exemption causes the property to either spatially qualify or no longer qualify for exempt status. Disabled veterans, who have not received a permanent disability rating, will be required to file annually. Property owners shall notify the borough when the requirements for exemption are no longer met. If the assessor determines that a property is not eligible for exemption, all taxes, penalty and interest due on the property from the tax lien date following the date the property should have been subject to taxation are immediately due and owing. The borough assessor may require proof under this section at any time.

(D) Laws exempting certain property from execution under the Code of Civil Procedure (A.S. 09) do not

exempt the property from taxes levied and collected by municipalities.

(E) A person may appeal the assessor's denial of an application for the exemption of property from taxation. The appeal shall be filed with the assessor, in writing, setting forth with specificity the explanation in support of the reason for the appeal, within 15 days of the assessor's determination to deny the exemption application. The assessor's decision on the appeal may be filed as an administrative appeal to the superior court, which appeal shall be on the record in which the assessor based the decision.

(F) Tax bills shall be mailed with a copy of this code provision.

(Ord. 11-122, § 2, 2011; Ord. 05-051, § 2, 2005; Ord. 02-043, § 2, 2002; Ord. 94-001AM, § 4 (part), 1994; Ord. 91-008AM, § 3 (part), 1991)

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