

I want to amend Ordinance Serial No. 26-032 to allow seniors and 100% disabled veterans to get an exemption card so they would not have to pay the sales tax.

Therefore, I move to amend Ordinance Serial No. 26-032 to insert a new section MSB 3.35.085 Resident Senior or Disabled Veteran Exemption to read as follows:

MSB 3.35.085 Resident Senior or Disabled Veteran Exemption

(A) Any individual 65 years of age or older, hereinafter called a ‘senior’, or any individual who is a 100% disabled veteran, who is a resident of the State of Alaska and resident of the Matanuska-Susitna Borough for not less than 90 consecutive days immediately preceding the application therefor may apply for and be issued by the finance director or designee a senior citizen or disabled veteran sales tax exemption card, which card entitles the individual to be exempted from the operation of the sales taxes levied under this chapter, however, that the 90-consecutive-day period provided for in this section may be reduced to 30 days if:

(1) The applicant has previously held a senior or disabled veteran exemption card in the Matanuska-Susitna Borough;

(2) The applicant has not been absent from the Matanuska-Susitna Borough for more than 24 months; and

(3) The applicant establishes to the satisfaction of the borough finance director or designee that either:

a. The absence was for medical treatment of the person or an immediate family member, or

b. The absence was due to circumstances beyond their control.

No seller within the borough shall charge or collect the sales tax levied under this chapter on exempted purchases from any person who displays such valid sales tax exempt card. All sellers within the borough shall keep records of such exempt sales and submit quarterly totals of such sales to the borough’s finance department, together with any other information required by law. In the event the individual ceases to be a bona fide resident of the borough, entitlement to the sales tax exemption that requires such residency shall terminate, and the card shall be void as to that sales tax exemption.

(b) No individual who has duly applied for and received such a registration card may use it to obtain such tax exemption when the rents, retail purchases, and any or all of them, otherwise subject to the sales taxes, are used or consumed by any person or persons other than the individual duly holding such registration card, or his or her spouse.

(c) No person who has not duly applied for or received such a registration card may use it to obtain such tax exemption; provided, however, in the case of an individual who is eligible for an exemption under this section, is otherwise authorized to receive a registration card under this section, and who is physically or mentally unable to use said card, a special card authorizing another person to use the special card for the benefit of the individual who is physically or mentally unable to use the card may be issued.

A card issued under this subsection may be issued to either:

- (1) An individual specifically authorized to make purchases on behalf of the eligible individual and who certifies on a form designated by the finance director that any purchases under the special authorization shall be only for the use of the eligible individual or their spouse; or
- (2) A governmental or nonprofit agency which, as part of their services to seniors or 100% disabled veterans, regularly provides such service to seniors or 100% disabled veterans who are physically or mentally unable to make purchases for themselves.

In the case of a governmental or nonprofit agency, such cards shall be issued in the agency name; shall bear distinguishing markings; and any employee authorized to use such card shall certify on a form designated by the finance director that any purchases under the special authorization shall be only for the use of an eligible individual or their spouse. Governmental or nonprofit agencies will accept full responsibility for the safekeeping of such cards and maintain an appropriate accountability of the use of each card. When making purchases using the authorization, the employee shall keep a log of the purchase, the amount, and the party for whom the purchase was made. The log shall be retained for at least three years by the agency, and shall be subject to audit by the borough.

(d) For the purposes of this section “resident of the State of Alaska” means an individual who is physically present in the state with the intent to remain in the state indefinitely and to make a home in the state. An individual demonstrates the intent required under this subsection by maintaining a principal place of abode in the state for at least 90 consecutive days immediately preceding the date of application for the exemption card provided in this section.

Notwithstanding the above, an individual who registers or is registered to vote outside the State of Alaska cannot be a resident of the State of Alaska for purposes of the exemption card under this section.

For purposes of this section, a “resident of the borough” is an individual who has established a residence in the Matanuska-Susitna Borough and has the intent to remain in the borough indefinitely and make their home in the borough. An individual demonstrates the intent required under this subsection by maintaining a principal place of abode in the borough for at least 90 consecutive days immediately preceding the date of application for the exemption card.

Notwithstanding the above, an individual who registers or is registered to vote outside the Matanuska-Susitna Borough is cannot be a resident of the borough for purposes of the exemption card under this section.

(e) Any individual who ceases to meet the definition of either “resident of the State of Alaska” or “resident of the borough” immediately forfeits the exemption granted in this subsection and must return the exemption card to the borough.

(f) The finance director shall periodically review the qualifications of holders of senior citizen exemption cards, may require proof, verification, or other information from card holders, and shall revoke the card of any person found not to meet the qualification. A written notice of the revocation, together with the basis therefor, shall be sent to the residence address provided by the exemption cardholder. A revocation decision is a final administrative decision and may be appealed to the superior court in accordance with the Alaska Rules of Court.

(g) Any person who violates any provision of this section is guilty of a violation and upon conviction thereof shall be fined an amount not to exceed \$500, and such sales tax exemption card shall be surrendered to the court, which, in turn, shall return the card to the borough for cancellation and destruction. Lawful use of the card is a condition precedent to its validity, and any unlawful use thereof shall render the card void from the date of its inception. By applying for any such card, the applicant thereby agrees to be bound by such conditions.

(h) Use of an exemption card in violation of any provision of this section is prohibited. Each and every item or service purchased with an exemption card in violation of any provision of this section is a separate violation. The Borough may seek injunctive relief and a civil penalty up to \$1000 per violation as provided by AS 29.25.070(b) and pursue any other legal and equitable remedies provided by law.