

#### 4.12.025 Exemptions. Revised 10/22

- A. The following property is exempt from general taxation: All properties required to be exempt from taxation under AS 29.45.030 which are adopted and incorporated by reference.
- B. Required exemptions shall be granted and claimed as set forth under the procedures in AS 29.45.030 which are adopted and incorporated by reference.
- C. Definitions relating to required exemptions set forth in AS 29.45.030 are also adopted and incorporated by reference.
- D. For all tax years beginning with the 2002 tax year, the senior citizen or disabled veteran required exemptions set forth in AS 29.45.030(e) and (f) may not be granted except upon written application on a form provided by the assessor. A once qualified senior citizen or disabled veteran need not file the application for successive tax years but must notify the assessor of any change in ownership, residency, permanent place of abode or status of disability.
- E. The community purpose optional property tax exemption under AS 29.45.050(b)(1)(A) is adopted and incorporated by reference. All or a portion of the property of an organization not organized for business or profit making purposes and used exclusively for community purposes, may be exempted if income derived from rental of that property does not exceed the actual cost to the owner of the use by the renter.
- F. Business property inventory that is subject to sale and is nonreal property shall be exempt from taxation, as an optional exemption as set forth in AS 29.45.050(c).
- G. Exemption application shall be filed by no later than the last day of February of each year.

**1. The assembly for good cause shown may waive the claimant's failure to make timely application and authorize the assessor to accept the application as if timely filed. "Good cause" shall mean:**

- a. Extraordinary circumstances beyond the control of the claimant, including but not limited to a medical condition or disability, impaired mental capacity, illiteracy, family emergency, death in the family, or other similar serious condition or event, that substantially impaired the claimant's ability to file a timely application.
- b. Extraordinary circumstances for a finding of good cause do not include late filing due to the claimant's inadvertence, oversight, or lack of knowledge regarding the filing requirements or deadline, financial hardship or failure to pick up or read mail or to make arrangements for an appropriate and responsible person to pick up or read mail.

If a failure to timely file has been waived and the application approved, the amount of the tax that the claimant has already paid for the property exempted shall be refunded to the claimant.

2. The city and borough shall not accept a late application for an exemption under subsection A or B of this section that is filed more than ninety days after the date the application was due for the assessment year for which the exemption is sought, regardless of good cause.

H. Each optional exemption must receive prior approval by the assembly, giving consideration to the benefits provided the community by the organization and to the amount of property to be removed from the tax rolls.

In order to be considered a community service organization, an organization must:

1. Benefit a significant portion of the public; and
2. Not profit persons other than employees; and
3. Qualify for a federal income tax exemption under 26 USC 501.

I. Required property tax exemptions shall be granted or denied by the assessor. Optional property exemptions shall be granted or denied by the assembly. Any appeal from the final administrative decision by the assessor or the assembly must be filed within thirty days of the decision to the Alaska Superior Court at Sitka in accordance with Alaska Rules of Appellate Procedure.

J. The assessor shall periodically review required and optional property exemption status to determine whether the taxpayer and use of the property still qualifies for the exemption.

K. A taxpayer who files a timely business property return with the assessor shall be exempted the first twenty-five thousand dollars of assessed value of business property owned by each taxpayer from taxation as an optional exemption as set forth in AS 29.45.050(c). For taxpayers with multiple business property accounts, the optional exemption will be distributed among all of the accounts pro rata, based on the proportion of the assessed value in each account to the total assessed value of taxpayer's business property. This exemption shall not apply to personal property affixed to land or improvements to land, float houses, nor to motor vehicles subject to a registration tax under AS 28.10.431 and as such statute may be hereafter amended, revised, or replaced.

(Ord. 22-23 § 4, 2022; Ord. 16-45 § 4 (part), 2016; Ord. 13-29 § 4 (part), 2013; Ord. 13-26 § 4, 2013; Ord. 11-23 § 4, 2011; Ord. 06-50 § 4 (part), 2007:

Ord. 02-1658 § 4, 2002; Ord. 01-1616 § 4, 2001; Ord. 89-895 § 4, 1989; Ord. 86-694 § 4, 1986.)