

Introduced by: Borough Manager  
Requested by: Borough Assessor  
Drafted by: Borough Assessor  
Introduced: 12/04/2008  
Public Hearing: 12/18/2008  
Adopted: 12/18/2005

**KODIAK ISLAND BOROUGH  
ORDINANCE NO. FY2009-13**

**AN ORDINANCE OF THE ASSEMBLY OF THE KODIAK ISLAND BOROUGH  
AMENDING KODIAK ISLAND BOROUGH CODE OF ORDINANCES TITLE 3 REVENUE AND  
FINANCE CHAPTER 3.35 REAL PROPERTY TAX SECTION 3.35.080 RESERVE POLICIES**

**WHEREAS**, Kodiak Island Borough Code 3.35.080 addresses exemptions from real and personal property tax as provided by AS 29.45.030(e); and

**WHEREAS**, this ordinance will amend to KIBC 3.35.080 in order to be consistent with other jurisdictions within the State of Alaska; and

**WHEREAS**, the KIB Assessing staff expend considerable time and borough resources in establishing Alaska residency for exemption applicants; and

**WHEREAS**, the Alaska Permanent Fund Dividend applicants must meet established residency requirements yearly to qualify for a dividend; and

**WHEREAS**, AS 29.45.030(f) provides that to be eligible for an exemption under AS 29.45.030(e) for a year, a municipality may by ordinance require that an individual also meet the requirements under one of the following paragraphs;

- (1) The individual shall be eligible for a permanent fund dividend under AS 43.23.005 for that same year or for the immediately preceding year; or
- (2) 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 (1) of this subsection had the individual applied and

**WHEREAS**, the Borough Attorney has reviewed this ordinance and found it to be enforceable;

**NOW, THEREFORE, BE IT ORDAINED BY THE ASSEMBLY OF THE KODIAK ISLAND BOROUGH** that:

**Section 1:** This ordinance is of a general and permanent nature and shall become a part of the Kodiak Island Borough Code of Ordinances;

**Section 2:** Title 3 *Revenue And Finance* Chapter 3.35 *Real Property Tax* Section 3.35.080 *Reserve Policies* is hereby amended as follows:

**3.35.080 Real and personal property exempted from taxation.**

The following described properties shall be exempt from any and all taxation otherwise imposed under the foregoing sections:

A. All property belonging to the United States of America, the state of Alaska, the borough, the city of Kodiak, or any other incorporated city lying and being within the boundaries of the borough;

B. All property used exclusively for religious, educational, or charitable purposes, such property used for religious purposes to be deemed to include the residences of a pastor, priest,

54 or minister of such religious organization and to further include all other property of such  
55 organization not used for business, rent, or profit. Property of any religious, educational, or  
56 charitable organization from which the organization derives any rentals or profits shall not be  
57 exempt. Unimproved or vacant real property of any such organization which is not currently used  
58 for religious, education, or charitable purposes shall be deemed to be property held or used for  
59 profit, unless by deed restriction or otherwise the real property has been effectually dedicated to  
60 future use for religious, educational, or charitable purposes only and cannot be sold or used for  
61 any other purposes;

62 C. The property of any organization which is not organized for business purposes and  
63 whose membership is composed entirely of veterans of any wars of the United States, as  
64 recognized and chartered by the Congress of the United States, and the property of the auxiliary  
65 of any such organization. Property of any such veteran's organization or auxiliary from which the  
66 organization derives any rentals or profits shall not be exempt;

67 D. To be eligible for an exemption provided by AS 29.45.030(e) the individual applying for  
68 the exemption must also meet requirements under one of the following two paragraphs:

69 1. The individual shall be eligible for a permanent fund dividend under AS  
70 43.23.005 for that same year or for the immediately preceding year; or

71 2. If the individual has not applied or does not apply for one or both of the  
72 permanent fund dividends, the individual would have been eligible for one of the permanent fund  
73 dividends identified in (1) of this subsection had the individual applied.

74 D. E. In the event that a claimant fails to apply for an exemption provided by AS  
75 29.45.030(e) by January 15th of the assessment year for which the exemption is sought, the  
76 borough assessor for good cause shown may waive the claimant's failure to make timely  
77 application for the exemption for that year and shall accept the application as if timely filed  
78 subject to the provisions contained in AS 29.45.030(e).

79 Good cause shall include but not necessarily be limited to:

- 80 1. Mistake;
- 81 2. Inadvertence; or
- 82 3. Excusable neglect;

83 Waiver may only be granted for the year in which an application is filed and for the year  
84 immediately prior. Assessor's rulings under this provision may be appealed to the borough  
85 assembly which for good cause shown may waive an applicant's failure to file timely and may  
86 direct the assessor to accept the application as if timely filed subject to the provisions contained  
87 in AS 29.45.030(e).

88 E. F. The private interests, other than fee simple record ownership, in real property of an  
89 individual residing in the property if the property has been developed, improved, or acquired with  
90 federal funds for low-income housing and is owned or managed as low-income housing by the  
91 Alaska State Building Authority or a regional housing authority formed under AS 18.55.996. This  
92 section does not prohibit the borough from continuing to receive payments in lieu of taxes  
93 authorized under federal law. This section applies only to those low-income housing units in  
94 existence prior to January 1, 1989, hence, any new projects, real property acquisitions and  
95 additions to the existing properties after January 1, 1989, shall require an ordinance of the  
96 assembly prior to the granting of an exemption under this section;

97 F. G. The increase in assessed value of improvements to real property if an increase in  
98 assessed value is directly attributable to landscaping, or new maintenance, repair, or renovation  
99 of an existing structure, and if the alteration, maintenance, repair, or renovation, when  
100 completed, enhances the exterior appearance or aesthetic quality of the land or structure. An  
101 exemption may not be allowed under this subsection for the construction of an improvement to a  
102 structure if the principal purpose of the improvement is to increase the amount of space for  
103 occupancy or nonresidential use in the structure or for the alteration of land as a construction  
104 activity. An exemption provided in this subsection may continue for up to four years from the date  
105 the improvement is completed or from the date of approval for the exemption by the local  
106 assessor, whichever is later; and

107 G. H. Property of an organization not organized for business or profit making purposes  
108 and used exclusively for community purpose activities is exempt from taxation under this  
109 subchapter.

110 1. The assessor may from time to time require such information as is reasonably  
111 necessary to determine the character of the organization and the nature of uses made. The  
112 exemption provided in this section is not applicable unless the required information is provided to  
113 the assessor.

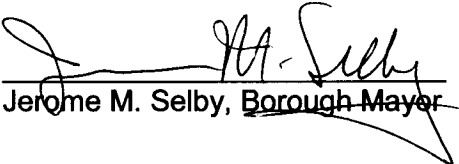
114 2. For purposes of this section, a qualifying community purpose organization must  
115 be active and qualified for tax exempt status under section 501(c) of the Internal Revenue  
116 Service Tax Code.

117 3. The property of the following organizations shall be exempt from real and  
118 personal property taxation under this section:


- 119 a. Kodiak Island Sportsman's Association;
- 120 b. Kodiak Senior Center;
- 121 c. Kodiak State Fairgrounds – Kodiak Jaycees;
- 122 d. Kodiak Chamber of Commerce; and
- 123 e. Kodiak Island Convention and Visitors Bureau.

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125 **ADOPTED BY THE ASSEMBLY OF THE KODIAK ISLAND BOROUGH**  
126 **THIS EIGHTEENTH DAY OF DECEMBER 2008**  
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128  
129 KODIAK ISLAND BOROUGH

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133 Jerome M. Selby, Borough Mayor  
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135 ATTEST:

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138 Nova M. Javier, CMC, Borough Clerk  
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