

Introduced by: Borough Assessor
Drafted by: Borough Assessor
Introduced on: 04/05/2018
Amended: 04/19/2018
Public Hearing: 04/19/2018
Adopted on: 05/19/2018

**KODIAK ISLAND BOROUGH
ORDINANCE NO. FY2018-21**

**AN ORDINANCE OF THE ASSEMBLY OF THE KODIAK ISLAND BOROUGH AMENDING
TITLE 3 REVENUE AND FINANCE, CHAPTER 3.35 REAL PROPERTY TAX BY ADDING
SECTION 3.35.045 TAX ADJUSTMENT ON A PROPERTY AFFECTED BY A DISASTER**

WHEREAS, State Statutes allow a municipality to adjust the assessment on a property affected by a disaster; and

WHEREAS, the Kodiak Island Borough wishes to exercise the authority granted to it by AS 29.45.230 to help alleviate the effects of a disaster on property owners; and

WHEREAS, the method for determining the assessment adjustment as well as the requirements for qualifying for the adjustment must be codified.

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

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

Section 2: Enactment. Title 3 of the Kodiak Island Borough Code of Ordinances is amended to read as follows:

Section:

3.35.045. Tax adjustments on property affected by a disaster.

- A. As provided in Alaska Statute 29.45.230, the Kodiak Island Borough provides for assessment or reassessment and reduction of taxes for property destroyed, damaged, or otherwise reduced in value as a result of a disaster.
- B. Definitions. For purposes of this section, disaster is defined as a force majeure including fire, wind damage, earthquake damage, extreme weather damage or accidental damage caused by a force beyond the control of the owner or occupant. Not included are acts due to malfeasance or unlawful activities.
- C. An assessment or reassessment under this section may be made by the assessor only upon the receipt of a sworn statement of the taxpayer who has incurred losses in excess of \$10,000. A reduction of taxes may be made only on losses in excess of \$10,000 for the remainder of

46 the year following the disaster. In the event taxes have already been paid for the year, on
47 reassessment, the municipality shall re-compute the taxes and refund any excess taxes.

48 1. Requirements for applying for the adjustment.

- 49 a. A taxpayer must provide evidence of the loss estimate such as insurance
50 documents, contractor quotes to repair, engineering quotes, etc.
51 b. The assessor or designee must inspect the property or make an investigation to
52 determine the extent of the damage.
53 c. The reduction in assessment shall be for one year only. If the damage occurs near
54 the end of the year and repairs will not be complete until the following year, the
55 taxpayer can choose to take the deduction for the current year or for the following
56 year.
57 d. If the repairs exceed the Assessor's value of the improvement, the reduction will
58 be based on the Assessor's value.
59 e. If damage occurs after June 30, and is for more than 50% of the assessed value
60 of the improvement the reduction will be prorated by the percentage of the
61 remaining year. This will be based on the date of the event and a 365 day year.

62 2. Method of determining the adjustment.

- 63 a. The reduction in assessment shall be the estimated cost to repair the
64 improvement.

65 D. The municipality shall give notice of assessment or reassessment under this section and shall
66 hold an equalization hearing as provided in this chapter, except that a notice of appeal must
67 be filed with the board of equalization within 10 days after notice of assessment or
68 reassessment is given to the person appealing. Otherwise, the right of appeal ceases unless
69 the board finds that the taxpayer is unable to comply.
70

71 **Effective Date:** This ordinance takes effect upon adoption. (Note: KIBC 2.30.070 states an
72 ordinance takes effect upon adoption or at a later date specified in the ordinance.)
73

74 **ADOPTED BY THE ASSEMBLY OF THE KODIAK ISLAND BOROUGH**
75 **THIS NINETEENTH DAY OF APRIL, 2018.**

KODIAK ISLAND BOROUGH

ATTEST:



Daniel A. Rohrer, Mayor



Nova M. Javier, MMC, Clerk

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79 **UNANIMOUS VOTES:**

80 Ayes: Skinner, Smiley, Symmons, Van Daele, Crow, Kavanaugh, Schroeder
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