



October 9, 2014

## Investigative Report Concerning Complaint OM20130218

### COMPLAINT

An Anchorage couple, whose house was destroyed by fire on March 9, 2012, alleged that the Municipality of Anchorage did not inform them of the Disaster Tax Relief program. They further alleged that because the Municipality of Anchorage did not make information regarding the abatement available to them, they missed the 60 day filing deadline and their application was denied. Furthermore, the complainants did not agree with their 2013 Real Property Assessment because their rebuilding was not complete and their home was uninhabitable on January 1, 2013.

### FINDINGS

First complaint against the Municipality of Anchorage, that the constituents were not informed of the Disaster Tax Relief program, is **JUSTIFIED**. Second complaint against the Municipality of Anchorage Property Appraisal Division, that the 2013 real property assessment was not assessed correctly, is **UNSUPPORTED**.

### ANALYSIS AND CONCLUSIONS

**First Complaint** – The complainants were not informed by the Municipality of Anchorage regarding the Disaster Tax Relief program.

On June 21, 2013 two citizens contacted the Ombudsman's office regarding the Property Appraisal Division. Their home had burned on March 9, 2012, and they alleged that because the Municipality did not inform them of the Disaster Tax Relief program, they missed the deadline to complete the Disaster Reassessment Application. AO No.2007-109 (S-1), which established the Disaster Tax Relief program, was adopted on August 28, 2007, following the Park Place Condominium fire, and the program was effective retroactively to January 1, 2007. AMC 12.15.025 allows for a tax abatement for homeowners whose house has been at least 50% destroyed by fire. Applications for the tax abatement must be filed within 60 days of the fire. The Anchorage Fire Department fire incident report deemed the constituents' structure a total loss.

The couple had received a booklet called "After the Fire, We Continue to Serve..." from the Anchorage Fire Department. The booklet is a comprehensive resource for homeowners who experience a fire. The booklet informs citizens regarding who to call and what to do after a fire. However, the booklet did not include any information for homeowners regarding the Disaster Tax Relief program, as the booklet was published prior to the 2007 Assembly Ordinance which enacted the Disaster Tax Relief program.



During the course of her investigation, the Deputy Ombudsman was not able to find the disaster reassessment application form online, nor was the Disaster Tax Relief application form displayed at the Property Appraisal counter in City Hall. The Property Appraisal Division stated that a phone contact number for information on the Property Tax Relief program was on the website; however the disaster reassessment application itself was not available to citizens online. The Deputy Ombudsman was able to obtain an application by asking a supervisor in the Property Appraisal Division for the specific form titled, "Taxpayer's Claim for Reduction of Assessments and the Abatement of Taxes for Real Property Following a Disaster Caused by Fire as Defined in AMC 12.15.025."

It should also be noted that as part of a normal review of properties in the area of the complainants' property, conducted on April 20, 2012, the Municipality of Anchorage's Property Appraisals Division noted that the constituent's home was demolished and "BLDG GONE." There is currently no communication between the Anchorage Fire Department and Property Appraisal when a home is destroyed, so it is reasonable to assume the property inspector did not know why the building was gone.

It was not until June, 2013, when the homeowners went to pay their 2013 taxes, that they were informed they could have applied for a 2012 Disaster Tax Relief if they had applied within 60 days of the fire. The complainants filed for the Disaster Tax Relief on August 12, 2013. The application was reviewed and denied on September 26, 2013; the reason stated was that their application was not timely filed.

While homeowners have a responsibility to educate themselves regarding policies that affect their taxes, the Municipality of Anchorage has a responsibility to make information readily available. **Because the Disaster Tax Relief application was not available on the Municipality of Anchorage's Property Appraisal website, and because the information about the program was not included in the booklet, "After the Fire ..." provided by the Anchorage Fire Department, the Ombudsman finds the complaint that the property owners were not informed of the Disaster Tax Relief Program by the Municipality to be JUSTIFIED.**

**Second Complaint** – 2013 Real Property tax was assessed incorrectly.

On or about January 15<sup>th</sup>, the Property Appraisal Division sends homeowners an annual real property assessment card stating their Real Property Assessment. The complainants acknowledged that they had received their property assessment card with the 2013 Real Property Assessment as required by AMC 12.15.040. The reverse side of the property appraisal card states "Property owners are required by State law to notify the Property Appraisal Division of errors or omissions in their property assessment." In addition, AMC 12.15.050 allows homeowners to appeal their assessment. The annual property assessment card outlines the appeal process on the reverse side, and lists an "Appeal must be filed by" date. The Deputy Ombudsman believes that the real property assessment card, along with information provided to taxpayers on the Property Appraisal's webpage gives adequate information for property owners to file an appeal when they question their Real

Property Assessment. **Because the Municipality of Anchorage provided adequate information regarding the appeal process for 2013 tax assessments, and the complainants acknowledge receiving their 2013 assessment card, and because the complainants did not file by the established deadline, the Ombudsman finds this complaint UNSUPPORTED.**

**A preliminary report regarding these matters was provided to the Anchorage Fire Department and the Property Appraisal Division.**

**Based on the investigation of this case the Municipal Ombudsman recommends the following:**

- (1) that the Property Appraisal division make the Disaster Tax Relief program information and application readily available on their Municipal website and at their customer service counter.**

*The division has agreed to and has implemented this recommendation.*

- (2) that the Anchorage Fire Department update their booklet "After the Fire, We Continue to Serve ..." to include contact numbers for Property Appraisal and the disaster abatement program.**

*The Anchorage Fire Department agreed and has updated and reprinted the booklet.*

- (3) that the Anchorage Fire Department post the updated "After the Fire ..." booklet on their website.**

*The Anchorage Fire Department concurs with this recommendation.*

- (4) that the information regarding the Disaster Tax Relief Program and abatement be listed on the back of the annual Real Property Appraisal card along with exemptions currently listed.**

*The division has agreed with this recommendation beginning with the 2015 Real Property Appraisal card.*

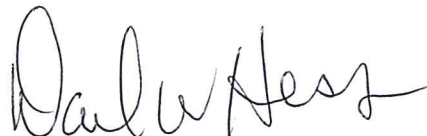
- (5) that the Constituents petition their Assembly Members to suspend the 60 day deadline for filing for the Disaster Tax Relief, to allow them to file for the 2012 Property Tax Abatement.**

Based on this finding, and these recommendations, this case is closed.

If you object to the Ombudsman's decision to decline or discontinue this investigation or review, you may file a grievance with the Ombudsman as specified in A.M.C.R. 2.60.006.



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