

MUNICIPALITY OF ANCHORAGE
REQUESTS FOR NONPROFIT PROPERTY TAX EXEMPTION

AS 29.45.030 Required Exemptions: (a) The following property is exempt from general taxation: (3) property used exclusively for nonprofit religious, charitable, cemetery, hospital, or educational purposes;

AMC 12.15.015 (C)(1). Properties qualifying for an exemption under this section must be owned and in use on January 1 of the applicable tax year.

AS 29.45.050 Optional Exemptions and Exclusions: (a) (A) the property of an organization not organized for business or profit making purposes and used exclusively for community purposes if the income derived from rental of that property does not exceed the actual cost to the owner of the use by the renter.

A request for exemption from the property taxes must be received by **March 15** of the applicable tax year. The property must be in use as of January 1 of the tax year in order to obtain an exemption for that year. Exemptions are not prorated and are granted based on two critical criteria; not for profit ownership and exclusive use of the property for an exempt purpose. Typically vacant land is not exempt.

The property owner is responsible for proving that the property is used exclusively for an exempt purpose and qualifies for an exemption. The owner is required to provide at a minimum the following items as noted in AMC 12.15.015 (D)(3):

1. The Articles of Incorporation for the organization.
2. Documents to support the organization's not-for-profit status (e.g. IRS 501(c)(3) determination letter, or equivalent).
3. Description of the use of the property and consistency with the requested exemption.
4. Contracts of any type describing or memorializing use of the property by a person or entity other than the applicant organization.
5. Description of any remuneration received by the applicant organization including:
 - a. Any property, or portion of property, from which rentals or income are derived.
 - b. Actual operating expenses, excluding debt service or depreciation.
6. Where property is leased by the organization to other entities, financial statements for the past tax year including income and expense reports, and description of any debt service or depreciation included in the financial statements for the property.
7. For property used for an educational purpose, the detail of course curriculum and classroom space.
8. For property used as a religious residence, the detail of the resident's ordination, commission or license (according to the standards of the religious organization), and proof of resident's employment by the religious organization as its minister.
9. The municipal assessor or designee may request additional information prior to its determination, as reasonably necessary to determine the exempt status of a property in accordance with municipal code and regulations and state law.

If an exemption is granted, the property owner is required to inform the Assessor's office of any change in use or ownership of the property.

If you have questions, please contact Kelly Lewis at (907) 343-6891

Submit the required documentation to: Municipality of Anchorage
Property Appraisal, ATTN: Kelly Lewis
PO Box 196650
Anchorage, AK 99519-6650