



**MUNICIPALITY OF ANCHORAGE
ASSEMBLY MEMORANDUM**

No. AM 620-2020

Meeting Date: October 13, 2020

1 **From: Assembly Member Kennedy**

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3 **Subject: AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY**
4 **PROVIDING FOR BUSINESS PERSONAL PROPERTY TAX RELIEF**
5 **TO ELIGIBLE TAXPAYERS FINANCIALLY IMPACTED BY**
6 **GOVERNMENT ORDERS, AS AN ECONOMIC STIMULUS**
7 **MEASURE IN RESPONSE TO THE COVID-19 PUBLIC HEALTH**
8 **EMERGENCY.**

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10 This ordinance will provide a one time partial tax exemption for the personal property
11 tax of those businesses who were forced to be closed due to being identified as a
12 non-essential business during the Emergency Orders stemming from the Municipal or
13 State Declaration of Emergency which began in March 2020.

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15 Only the businesses that could qualify as being an essential business were permitted
16 to be open and operate as usual. During the time between March 22nd through
17 May 11th, a variety of types and sizes of businesses remained closed and were
18 heavily economically impacted. Some of those impacts experienced were an inability
19 to sell or use inventory, the loss of inventory due to its perishable nature, inactivity of
20 business equipment, all resulting in an inability to produce any revenue from any of
21 those assets. This measure would offset those negative impacts to businesses
22 subjected to forced closures or those who were unable to qualify to open under the
23 required health regulations and COVID-19 precautions.

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25 This ordinance provides for a process by which a business can apply for a small
26 exemption to their annual personal property tax assessment from 2020 for a
27 maximum of 16%, or two months equivalent, of their tax bill due in 2021.

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29 Below is a summary of the various Emergency Orders:

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31 EO-01: Closure of bars, restaurants, entertainment facilities. March 16, 2020
32 EO-02: PPE March 19, 2020
33 EO-03: "Hunker Down" - stay home, all non-essential businesses closed, March 22,
34 2020
35 EO-04: Suspension of Bag Ban
36 EO-05: Extension of "Hunker Down" March 27, 2020
37 EO-06: Extension of EO 2 till April 19th, Extension of EO 1, 3 (v2) till May 5th, EO 4
38 till June 5th
39 EO-07: "Ease up", some non-critical businesses open: bars, gyms, entertainment
40 centers remain closed, April 27th.
41 EO-08: Allows curb side services for marijuana and alcohol sales
42 EO-09: Allows for additional non-critical businesses to open, May 11, 2020

- 1 EO-10: All businesses open with precautions requirements, no large events, May 25,
2 2020
- 3 EO-11: Travel restrictions/ requirements, June 6, 2020
- 4 EO-12: Outdoor alcohol sales and service for restaurants, June 16, 2020
- 5 EO-13: Mask mandate, July 31, 2020
- 6 EO-14: Return to Limited capacity for bars and restaurants, July 22, 2020
- 7 EO-15: "Four week reset", capacity limits to indoor/ outdoor groups, closed bars and
8 restaurants to indoor, August 3-30, 2020
- 9 EO-14 V2: Modified Phase Two - indoor capacity limited to 50%, August 31, 2020

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Respectfully submitted:

Crystal Kennedy
Assembly Member, District 2 (Eagle River/Chugiak)