

Submitted by: Assembly Vice Chair Constant
and Assembly Members Dunbar,
Quinn-Davidson, and Petersen
Prepared by: Assembly Counsel
For reading: July 12, 2022

**ANCHORAGE, ALASKA
AO No. 2022-75**

1 **AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY TO SUBMIT**
2 **TO THE QUALIFIED VOTERS OF THE MUNICIPALITY OF ANCHORAGE A**
3 **BALLOT PROPOSITION THAT WOULD INCREASE THE RESIDENTIAL REAL**
4 **PROPERTY TAX EXEMPTION, AND UPON VOTER APPROVAL AMENDING**
5 **ANCHORAGE MUNICIPAL CODE SECTION 12.15.015 ACCORDINGLY.**
6

7
8 **WHEREAS**, the majority of Anchorage's revenues come from property taxes
9 and payments in lieu of property taxes, which are paid by Anchorage residents,
10 businesses and property owners;

11
12 **WHEREAS**, property owners have indicated a desire for property-tax relief;

13
14 **WHEREAS**, House Bill 411 became law on July 11, 2022 providing Alaska
15 communities the ability to increase property tax exemptions from \$50,000 to
16 \$75,000 when the law goes into effect on October 9, 2022; and

17
18 **WHEREAS**, Anchorage homeowners are feeling the impacts of record rates
19 of inflation, and residential property appraisals increased an average of 8-10% in
20 2022 while commercial values remained flat or decreased at a similar rate; and

21
22 **WHEREAS**, a larger residential exemption could provide much-needed relief
23 for homeowners beginning with 2023 tax bills; and,

24
25 **WHEREAS**, state law requires changes to the residential real property
26 exemption to be approved by voters; now, therefore

27
28 **THE ANCHORAGE ASSEMBLY ORDAINS:**

29
30 **Section 1.** Pursuant to state law and the Anchorage Municipal Charter, a ballot
31 proposition in substantially the following form and substance shall be submitted to
32 the qualified voters of the Municipality at the next regular municipal election:

33
34 **PROPOSITION NO. _____**

35
36 **RESIDENTIAL REAL PROPERTY TAX EXEMPTION INCREASE**

37
38 This proposition would increase the residential real property tax
39 exemption up to a maximum of \$75,000. Currently, 20% of a
40 residential real property's value may be exempt from taxation, up to
41 a maximum of \$50,000.
42

1 Shall the residential real property tax exemption be increased, as
 2 described above?
 3

4 YES NO

5
 6 **Section 2.** Anchorage Municipal Code section 12.15.015 is hereby amended to
 7 read as follows (*the remainder of the section is not affected and therefore not set*
 8 *out*):
 9

10 **12.15.015 Real property exemptions.**

11 *** **

12 E. Municipal exemptions.

- 13 1. *Residential real property exemption.* Twenty percent of the
 14 assessed value of residential real property, up to a maximum
 15 of \$75,000.00 [50,000.00] of assessed value, shall be exempt
 16 from property taxation if:
 17
 18

19 *** **

20 (AO No. 86-211(S-1); AO No. 88-158; AO No. 92-56; AO No. 94-228(S-2), §
 21 1, 2-7-95; AO No. 95-199, § 1, 1-1-96; AO No. 97-146, § 1, 1-1-98; AO No.
 22 2003-149, § 1, 11-4-03; AO No. 2008-18, § 1, 2-12-08; AO No. 2009-133(S-
 23 1), § 2, 1-12-10; AO No. 2011-16, § 2, 2-1-11; AO No. 2011-37(S), § 1, 4-12-
 24 11; AO No. 2011-108(S), § 1, 11-22-11, retro eff. 1-1-10; AO No. 2012-1, §
 25 2, 4-3-12; AO No. 2014-150(S), § 1, 2-3-15; AO No. 2016-118(S), § 1,
 26 adopted 12-20-16; AO No. 2017-154, § 2, 12-19-17; AO No. 2019-102, § 1,
 27 9-10-19; AO No. 2020-96, § 4, 9-1-21*)
 28
 29
 30

31 **Section 3.** This ordinance is effective immediately upon passage and approval by
 32 the Assembly. The proposition contained in Section 1 of this ordinance, and section
 33 2 shall become effective if, and only if, the proposition contained in section 1 of this
 34 ordinance is approved by a majority of the voters voting on the question.
 35

36
 37 PASSED AND APPROVED by the Anchorage Assembly this _____ day
 38 of _____, 2022.
 39

40
 41 _____
 42 Chair

43 ATTEST:

44
 45 _____
 46 Municipal Clerk
 47