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

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

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

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

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

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

THE ANCHORAGE ASSEMBLY ORDAINS:

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

PROPOSITION NO. ______

RESIDENTIAL REAL PROPERTY TAX EXEMPTION INCREASE

This proposition would increase the residential real property tax exemption up to a maximum of $75,000. Currently, 20% of a residential real property’s value may be exempt from taxation, up to a maximum of $50,000.
Shall the residential real property tax exemption be increased, as described above?

YES ☐ NO ☐

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

12.15.015 Real property exemptions.

*** *** ***

E. Municipal exemptions.

1. Residential real property exemption. Twenty percent of the assessed value of residential real property, up to a maximum of $75,000.00 [50,000.00] of assessed value, shall be exempt from property taxation if:

*** *** ***

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

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

PASSED AND APPROVED by the Anchorage Assembly this _______ day of ________________, 2022.

__________________________
Chair

ATTEST:
__________________________
Municipal Clerk