

See AO 2007-109(S-D)

ANCHORAGE, ALASKA
AO No. 2007-109

1 AN ORDINANCE AMENDING TITLE 12 OF THE ANCHORAGE MUNICIPAL CODE TO
2 ADD A NEW SECTION 12.15.025 FOR DISASTER TAX RELIEF, RETROACTIVE TO
3 JANUARY 1, 2007.
4

5
6 THE ANCHORAGE ASSEMBLY ORDAINS:
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8 **Section 1.** Anchorage Municipal code chapter 12.15 is amended to add a new section as
9 follows:

10
11 12.15.025 Disaster tax relief - fire or earthquake.
12

13 A. Purpose. The purpose of this section is to establish a process to provide for
14 real property valuation reassessment following a disaster caused by either:

- 15
16 1. An earthquake; or
17 2. A fire.
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19 B. Definitions. The following words, when used in this section, shall have the
20 meanings ascribed to them below:
21

22 ***Disaster*** shall mean earthquake or fire.
23

24 ***Fire*** shall include natural as well as man-made events, except no relief shall be
25 granted under this section for fire intentionally caused by the applicant or a
26 member of the applicant's household.
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28 ***Reassessment*** shall mean true and full valuation conducted following disaster
29 and application by the real property owner.
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31 C. Criteria. In order to for an application for valuation reassessment to be eligible
32 for consideration, the following criteria shall be met:
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- 34 1. The real property and improvements covered by the application are
35 zoned and utilized only as residential property; and
36
37 2. The property, improvements and/or additions thereto is on the
38 municipal tax rolls in the year requested for valuation reassessment;
39 and
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41 3. The applicant is the owner of the property as shown on municipal tax
42 records as of the date of the disaster; and

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4. The applicant physically occupies the real property; and
 5. Neither the owner nor a member of the owner's household is at fault, if the disaster is caused by fire.

D. Application for valuation reassessment.

1. An application for valuation reassessment must be submitted in writing on a form provided by the assessor.
2. The application shall be submitted within 60 days of the date of the disaster.
3. The application shall describe the condition and value of the property immediately before and immediately after the disaster.

E. Processing the application.

1. Upon receipt, the assessor's office shall verify eligibility of the applicant under section C. above.
2. If the eligibility requirements are met, the assessor's office shall inspect the property to:
 - a. Verify the current year's full and true value prior to the disaster; and
 - b. Determine the full and true value subsequent to the disaster.
3. The applicant shall cooperate in the valuation reassessment determination by providing full access to property and records reasonably requested by the assessor's office. If the applicant refuses or fails to provide records necessary to the determination, the applicant shall be precluded from relief or reduction under this section, and any valuation or issue affected by lack of records shall be decided in favor of the assessor.

F. Revised value determination.

1. The assessor shall calculate the sum of the full and true value of the land and improvements before disaster and the sum of the full and true value of the land and improvements after disaster.
2. If the value before disaster exceeds the value after disaster by at least fifty percent (50%), the assessor shall separately determine the percentage reduction in value of land and improvements due to the disaster.

- 1 3. The assessor shall reduce the value appearing on the assessment roll by
2 the percentage computed under E.2. above, and the real property tax
3 due shall be adjusted as provided in this section.
- 4
- 5 4. The amount of the reduction shall not exceed the actual loss.
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- 7 5. Any reduction or refund shall only apply to the property damaged in the
8 disaster. A reduction or refund shall not be eligible for transfer to
9 another person or to a different property.

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11 G. Notice and appeal.

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- 13 1. The assessor shall send a written notice to the applicant indicating the
14 amount of the proposed reassessment. The notice shall state the
15 applicant may appeal the proposed reassessment to the Board of
16 Equalization within 30 days of the date of mailing the notice.
- 17
- 18 2. Appeals of the reassessed value shall be heard by the Board of
19 Equalization pursuant to section 12.15.050.
- 20
- 21 a. Notwithstanding section 12.05.055, hearing dates for valuation
22 reassessment, as the result of an application under this section,
23 shall be scheduled as needed.
- 24
- 25 3. A decision of the Board regarding reassessment issued pursuant to this
26 section shall create no presumption regarding the value of the affected
27 property for tax years after the date of the disaster.

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29 H. Tax roll adjustment and tax recomputation.

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- 31 1. Any valuation reassessment to the full and true value determined under
32 this section shall be forwarded to the treasurer.
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- 34 2. The treasurer shall calculate and enter the reassessed tax values on the
35 tax roll as a Tax Adjustment Request.
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- 37 3. Upon reassessment, the taxes shall be recomputed.
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- 39 a. The tax benefit associated with the reassessed value shall be
40 prorated based on the number of days remaining in the tax year.
41 The recomputed tax for the year shall be due within 60 days of
42 notice sent by the treasurer. If not paid within the 60 day
43 period, the taxpayer's account shall become delinquent and
44 penalty and interest shall be applied in accordance with section
45 12.15.060.
- 46
- 47 b. Any taxes paid in excess of the total tax due for the year shall
48 be refunded to the taxpayer as an overpayment of tax within 60

days of notice sent by the treasurer.

4. The reassessed value of the property, as determined pursuant to this section, shall be the taxable value of the property until December 31 of the year of the disaster, unless the value is otherwise adjusted as allowed by law.

Section 2. This ordinance shall be effective retroactive to January 1, 2007.

PASSED AND APPROVED by the Anchorage Assembly this _____ day of _____, 2007.

Chair of the Assembly

ATTEST:

Municipal Clerk

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects -- General Government

AO Number: 2007-109

Title: AN ORDINANCE AMENDING TITLE 12 TO ADD A NEW SECTION
 12.15.025 FOR DISASTER TAX RELIEF, RETROACTIVE TO JANUARY 1,
 2007.

Sponsor: Mayor
 Preparing Agency: Department of Law
 Others Impacted: Tax Supported Units of Government

CHANGES IN EXPENDITURES AND REVENUES:	(In Thousands of Dollars)				
	<u>FY07</u>	<u>FY08</u>	<u>FY09</u>	<u>FY10</u>	<u>FY11</u>
Operating Expenditures					
1000 Personal Services					
2000 Non-Labor					
3900 Contributions					
4000 Debt Service					
TOTAL DIRECT COSTS:	\$ -	\$ -	\$ -	\$ -	\$ -
Add: 6000 Charges from Others					
Less: 7000 Charges to Others					
FUNCTION COST:	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUES:					
CAPITAL:					
POSITIONS: FT/PT and Temp					

PUBLIC SECTOR ECONOMIC EFFECTS:

No significant impact is anticipated to administer the process of real property valuation reassessment established by this ordinance. In the year of disaster there would be a reduction in tax collections resulting from valuation reassessments. However, there is no means to quantify in advance for any year the number of eligible applications or dollar value of reassessments. In years following a disaster, valuation reassessments become a normal part of the changing total Municipal assessment level.

PRIVATE SECTOR ECONOMIC EFFECTS:

Property owners who suffer a significant loss in property value resulting from a disaster could apply for tax relief through a real property valuation following the disaster.

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Title: SECTION 12.15.025 FOR DISASTER TAX RELIEF,
RETROACTIVE TO JANUARY 1, 2007.**Author:** fehlenrl**Initiating Dept:** Legal

AN ORDINANCE AMENDING TITLE 12 TO ADD A NEW

Description: SECTION 12.15.025 FOR DISASTER TAX RELIEF,
RETROACTIVE TO JANUARY 1, 2007.**Keywords:** Disaster tax relief, property assessment, property valuation**Date Prepared:** 7/20/07 11:26 AM**Director Name:** James N. Reeves**Assembly Meeting**
Date MM/DD/YY: 7/24/07**Public Hearing Date**
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OMB_SubWorkflow	7/20/07 11:46 AM	Approve	mitsonjl	Public	005274
MuniManager_SubWorkflow	7/20/07 11:47 AM	Approve	abbottmk	Public	005274
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James N. Reeves