

See AO 2011-108(S)

Submitted by: ASSEMBLY MEMBER GRAY-JACKSON

Prepared by: Assembly Counsel

For reading: October 25, 2011

ANCHORAGE, ALASKA

AO NO. 2011-108

AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY AMENDING ANCHORAGE MUNICIPAL CODE SECTION 12.15.015 TO REPLACE THE MANDATORY ANNUAL TAX-EXEMPT CERTIFICATION FOR NONPROFIT ORGANIZATIONS WITH QUALIFIED RE-CERTIFICATION, RETROACTIVE TO JANUARY 1, 2010.

WHEREAS, the municipal assessor's office implemented a mandatory annual certification requirement for not-for-profit organizations exempt from municipal property tax as codified in municipal code effective January 1, 2010; and

WHEREAS, the municipal assessor recommends changing the requirement for mandatory annual certification to qualified re-certification for reasons of efficiency and public interest, retroactive to January 1, 2010; now, therefore,

THE ANCHORAGE ASSEMBLY ORDAINS:

Section 1. Anchorage Municipal Code section 12.15.015 is hereby amended to read as follows (*language indicating no amendment is included for context only and other subsections not affected are not set out*):

12.15.015 Real property exemptions.

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C. Strict enforcement of deadlines to file an exemption application and annual certification.

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4. Annual certification shall be in the form prescribed by the assessor, and received by the assessor by no later than March 15 of the current tax year, or the exemption expires and a new application is required.

a. For a disabled veteran exemption, see Section 12.15.015 D.2., below.

b. Annual certification is not required for residential real property exemption if there is no change in ownership, residency or permanent place of abode.

c. For a nonprofit religious, charitable, cemetery, hospital or educational exemption, see Section 12.15.015 D.3 below.

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D. State exemptions.

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3. Nonprofit religious, charitable, cemetery, hospital or educational exemption.

a. Property used exclusively for nonprofit religious, charitable, cemetery, hospital or educational purposes is exempt from taxation under this chapter for the calendar year in which application is timely filed, if the assessor or designee determines the application demonstrates the property qualifies for exemption under Alaska Statutes.

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d. Re-certification.

1. All change of ownership or use shall be reported to the Assessor within 30-days of the change.

2. Unless specifically requested in the discretion of the Assessor for audit, cause, or review, annual certification is not required after an exemption has been approved under this subsection D.3 if there is no change in ownership or use.

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(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)

Section 2. This ordinance shall be retroactive as of January 1, 2010 upon passage and approval by the Assembly.

PASSED AND APPROVED by the Anchorage Assembly this _____ day of _____, 2011.

Chair

ATTEST:

Municipal Clerk



MUNICIPALITY OF ANCHORAGE
ASSEMBLY MEMORANDUM
NO. AM 594-2011

Meeting Date: October 25, 2011

1 **From:** ASSEMBLY MEMBER GRAY-JACKSON

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3 **Subject:** **AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY**
4 **AMENDING ANCHORAGE MUNICIPAL CODE SECTION 12.15.015 TO**
5 **REPLACE THE MANDATORY ANNUAL TAX-EXEMPT**
6 **CERTIFICATION FOR NONPROFIT ORGANIZATIONS WITH**
7 **QUALIFIED RE-CERTIFICATION, RETROACTIVE TO JANUARY 1,**
8 **2010.**

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10 The amendments to AMC Section 12.15.015 in this ordinance will facilitate effective
11 administration of the property tax exemption program and will assist the Property
12 Appraisal Office in the consistent administration of state-mandated property tax
13 exemptions for nonprofit organizations.

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15 The attached ordinance amends the requirement for nonprofit organizations to file an
16 annual certification with the Assessor in favor of a qualified re-certification, on an as-
17 needed basis in the discretion of the Municipal Assessor.

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19 Administrative requirements for annual certification by nonprofit organizations have
20 proved unnecessarily burdensome for both the Property Appraisal Office and the
21 nonprofit organization. The proposed amendments will provide the Municipal Assessor
22 with the ability to require information from the nonprofit organization as the
23 circumstance may dictate, protecting the integrity of the exemption without unduly
24 burdening either the Property Appraisal Office or the nonprofit organization. Nonprofit
25 organizations often have volunteer staff, and an unnecessary annual certification
26 requirement could jeopardize a nonprofit organization's exempt status without
27 meaningful cause.

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29 The Municipal Assessor, with the support of the Administration, recommends approval
30 of the attached ordinance, retroactive to January 1, 2010, the original effective date of
31 the annual certification requirement. This will administratively assist the Municipal
32 Assessor by allowing the Property Appraisal Office to focus its resources on an as-
33 needed basis, instead of blanket review of every nonprofit exemption and requisite
34 follow-up annually.

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38 Respectfully submitted:

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40 Elvi Gray-Jackson
41 Assembly Member, Section 4