



Legislation Text

File #: ORD 22-0006, **Version:** 1

ITEM TITLE:

#22-06 - Amending Chapter 3.12, Section 3.12.040 Relating to Residential Property Tax Exemption.
First Reading. Public Hearing.

SUBMITTED BY: Sheri Pierce, MMC, City Clerk/Jake Staser, City Attorney

FISCAL NOTES:

Expenditure Required: NA
Unencumbered Balance: NA
Funding Source: NA

RECOMMENDATION:

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SUMMARY STATEMENT:

Alaska Statute 29.45.050 (a) authorizes a municipality to provide an exemption not to exceed the assessed value of \$50,000 for any one residence except that a municipality may, by ordinance, annually adjust their voter-authorized exemption by the amount calculated by the State Assessor to reflect the increase, if any, in the annual average cost of living, using the U.S. Department of Labor CPI-U for Anchorage.

The City Council has expressed their support to apply this adjustment to reflect an increase in the exemption, if any, based on the annual average cost of living calculated by the State Assessor annually.

The City Council requested that Section 3.12.040 of the Valdez Municipal Code be amended by removing the calculation of "thirty percent of the assessed value" and replacing it with the exemption not to exceed \$50,000, of a principal residence owned and occupied by the taxpayer, subject to adjustment based on the annual average cost of living, calculated by the State Assessor annually.

This ordinance shall go into effective as of January 1, 2023, due to the fact that this exemption must be applied annually prior to the issuance of property tax assessment notices in March, therefore it is not applicable to the current 2022 tax year.