



**SENIOR CITIZEN/DISABLED VETERAN
HOMEOWNERS
APPLICATION FOR HARDSHIP EXEMPTION**

In accordance with AS 29.45.030(e) and 3AAC135.040, a municipality may, in case of hardship, provide for exemption beyond the mandatory state exemption. Application for this exemption must be submitted to the municipal assessor before July 1, or before a date provided by local ordinance, of the exemption years.



1. Name of Municipality:	2. Parcel Number or Legal Description of Property:		
3. Name of Applicant:	4. Mailing Address:	5. Phone Number:	
7. Gross Household Income: \$	* Attach Appropriate IRS Documentation. * Definition: Gross household income means total annual compensation, earned and unearned, from all sources of all members of the household for the calendar year prior to the year of this application.		
8. Explanation of Hardship:			
9. Certification I hereby certify that the answers given on this application are true and correct to the best of my knowledge. I understand that a willful misstatement is punishable by a fine or imprisonment under AS 11.56.210.			
Signature of Applicant:		Date:	

Following is for Local Assessor/Clerk Use Only

10. Calculation of Hardship Exemption:					
	Land	+	Building	=	Total
Assessed Value	\$ _____		\$ _____		\$ _____ (A)
	Mandatory	+	Optional	=	Total Exemptions
Exemption:	\$ _____		\$ _____		\$ _____ (B)
	Taxable Value After Exemptions (Line A minus Line B) = \$ _____ (C)				
	Applicable Mill Rate = \$ _____ (D)				
	Net Tax Due (Line C multiplied by Line D) = \$ _____ (E)				
	Gross Household Income (from 7 above) multiplied by 2% = \$ _____ (F)				
	Allowable Hardship Exemption (Line E minus Line F) = \$ _____ (G)				
(If Line G is zero, or less than zero, then no hardship exemption can be granted.)					
11. Application Verified By:					
APPROVAL OR DENIAL OF GOVERNING BODY FOR EXTREME HARDSHIP					
<input type="checkbox"/> Approved _____ Percent of Exemption			<input type="checkbox"/> Approved _____ Percent of Exemption		
Date of Public Meeting _____			Signature of Municipal Official _____		

ALASKA STATUTES, TITLE 29 - MUNICIPAL GOVERNMENT - CHAPTER 45

Sec. 29.45.030. Required Exemptions.

(e) The real property owned and occupied as the primary residence and permanent place of abode by a resident who is (1) 65 years of age or older; (2) a disabled veteran; or (3) at least 60 years of age and a widow or widower of a person who qualified for an exemption under (1) or (2) of this subsection is exempt from taxation on the first \$150,000 of the assessed value of the real property. A municipality may by ordinance approved by the voters grant the exemption under this subsection to the widow or widower under 60 years of age of a person who qualified for an exemption under (2) of this subsection *or to a resident who is the widow or widower of a person who dies from a service-connected cause sustained while serving as a member of the United States armed forces or as a member of the National Guard*. A municipality may, in case of hardship, provide for exemption beyond the first \$150,000 of assessed value in accordance with regulations of the department. Only one exemption may be granted for the same property, and, if two or more persons are eligible for an exemption for the same property, the parties shall decide between or among themselves who is to receive the benefit of the exemption. Real property may not be exempted under this subsection of the assessor

ALASKA ADMINISTRATIVE CODE TITLE 3 – DEPT. OF COMMUNITY AND ECONOMIC DEVELOPMENT SENIOR CITIZEN AND DISABLED VETERAN PROPERTY TAX EXEMPTION - CHAPTER 135

3 AAC 135.010. Method of application

Applications for the senior citizen and disabled veteran property tax exemption shall be on forms provided by the department.

3 AAC 135.020. Forms

Form 21-400 and Form 21-400b are hereby adopted by the department for use in the application for senior citizen and disabled veteran property tax exemptions, respectively.

3 AAC 135.030. Obtaining forms

Application forms are available only from the office of the clerk or assessor of the municipality.

3 AAC 135.040. Deadlines and calculations

(a) Exemption applications filed after January 15 of the assessment year, or after a date provided by ordinance as specified in AS 29.45.030(f), must be accompanied by an affidavit stating the reason for the late filing.

(b) To qualify for a hardship exemption beyond the first \$150,000 of assessed value of real property under AS 29.45.030(e), the applicant must apply by completing Form 21-400c and submitting the form, including necessary attachments, to the municipal assessor before July 1, or before a date provided by ordinance as specified in AS 29.45.030(f), of the exemption year.

(c) An eligible applicant may qualify for a hardship exemption beyond the first \$150,000 of assessed value of real property if the amount of the applicant's tax bill is greater than two percent of the applicant's gross household income. An exemption will be granted only for that portion of the applicant's taxes in excess of two percent of the gross household income. "Gross household income" means total annual compensation, earned and unearned, from all sources, of all members of the household.

(d) In cases of extreme hardship, an exemption up to 100 percent of the applicant's assessed value of real property may be granted by a two-thirds vote of the governing body.

(e) Hardship exists when the amount of taxes owed is in excess of two percent of an applicant's gross household income.

(f) The following are examples of hardship exemption calculation:

(1) Example A Household Income: \$30,000 Assessed Value: 200,000 Mill Rate: 10.0 Taxes Calculated: \$200,000 x 10.0 mills = \$2,000 \$150,000 Cap: \$150,000 x 10.0 mills = \$1,500 Tax Liability: \$ 500 Ability to Pay: \$ 30,000 x 2% = 600 = No hardship exemption allowed

(2) Example B Household Income: \$10,000 Assessed Value: 200,000 Mill Rate: 10.0 Taxes Calculated: \$200,000 x 10.0 mills = \$2,000 \$150,000 Cap: \$150,000 x 10.0 mills = \$1,500 Tax Liability: \$ 500 Ability to Pay: \$ 10,000 x 2% = \$200 Tax Liability: \$500 Ability to Pay: (200) Hardship Exemption: \$300

3 AAC 135.085. Eligibility

(a) When an eligible person and his or her spouse occupy the same permanent place of abode, the reimbursement described in AS 29.45.030(g) applies, regardless of whether the property is held in the name of the husband, wife, or both.

(b) A resident widow or widower who is at least 60 years old is eligible for the hardship exemption under AS 29.45.030(e) if the deceased spouse of the widow or widower was at the time of his or her death (1) a resident of the State of Alaska; and (2) at least 65 years old or a disabled veteran.

(c) If property is occupied by a person other than the eligible applicant and his or her spouse, an exemption, to be eligible for reimbursement, applies only to the portion of the property permanently occupied by the eligible applicant and his or her spouse as a place of abode.

(d) The real property eligible for reimbursement under this chapter includes only a (1) primary parcel: the entire parcel of real property owned and occupied by an applicant as a permanent place of abode; and (2) subsidiary parcel: a parcel of real property adjacent to the primary parcel described under (1) of this subsection, subject to approval by the department.

3 AAC 135.095. Other statutory encumbrances

Approval of the property for the property tax exemption does not exempt the property from other statutory encumbrances.

3 AAC 135.120. Definitions In this chapter

(1) repealed 1/27/73;

(2) "exemption year" means the calendar year for which the exemption is sought;

(3) "real property" includes, but is not limited to mobile homes, whether classified as real or personal property for municipal tax purposes;

(4) "permanent place of abode" means a dwelling, or a dwelling unit in a multiple dwelling, including lots and outbuildings, or an appropriate portion thereof, which is necessary to convenient use of the dwelling unit;

(5) "resident" includes applicants who have a fixed habitation in the State of Alaska, and, when absent, intend to return to the State of Alaska;

(6) "ownership" means possession of an interest in real property, including but not limited to, a mobile home or condominium, which interest is recorded in the office of the district recorder, or, if unrecorded, is attested by a contract, bill of sale, deed of trust, or other proof in a form satisfactory to the local assessor;

(7) "department" means the Department of Commerce, Community, and Economic Development;

(8) "senior citizen" means one who is 65 or older before January 1 of the exemption year;

(9) "disabled veteran" has the same meaning as in AS 29.45.030(i)(1).