



Alaska State Legislature

Senator Con Bunde
Senate District P

Vice Chair: Senate Finance Committee
Chair: Senate Labor & Commerce Committee

Sponsor Statement for SB 193

"An Act relating to an optional deferral of municipal property taxes on certain primary residences owned and occupied by individuals with incomes at or below federal poverty guidelines for the state."

SB 193 protects individual property rights while still allowing municipalities to collect revenue via property taxes. Currently, it is possible for homeowners to lose their home if they encounter difficult financial circumstances or live in an area where they cannot contend with rising property values. SB 193 is in essence a "homestead bill" that municipalities may choose to adopt via an ordinance. This bill allows true home ownership in Alaska.

SB 193 allows municipalities to implement a property tax deferral program for homeowners who are living under the federal poverty guidelines and have occupied the property as a primary residence for a minimum of ten years. Property owners must apply for the deferral on an annual basis. The deferred taxes are due when the property is transferred to a new owner or when the homeowner dies. However, SB 193 bars a municipality from charging interest on the deferred property taxes between the date of deferral and the date of payment.

This legislation is essential to establish real home ownership for Alaskans. SB 193 confirms that the Alaska State Legislature will not allow residents to be taxed out of their home, while still allowing local municipals to collect revenue.