



Alaska State Legislature

Senate Majority Web: www.akrepublicans.org

Sponsor: Senator Con Bunde
Current Version: CSSB 193 (CRA)
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Fact Sheet for: Senate Bill 193

Short Title: DEFERRAL OF MUNICIPAL PROPERTY TAXES

Summary:

- Allows municipalities to create an ordinance implementing a property tax deferral program for homeowners.
- Requires the property to be a primary residence for a minimum of ten years.
- Permits property tax deferral to homeowners living under the federal poverty guidelines.
- Mandates that property owners apply for the deferral on an annual basis and pay deferred taxes when the property is transferred to a new owner.
- Bars a municipality from charging interest on the deferred property tax between the date of deferral and the date of payment.
- Amends the definition of "property used exclusively for religious purposes" to include the residence of "an educator in a private religious or parochial school" for purposes of a mandatory tax exemption.
- Defines "minister" as an individual who is "ordained, commissioned, or licensed as a minister according to standards of the religious organization for its ministers; and employed by the religious organization to carry out a ministry of that religious organization."

Benefits:

- Gives temporary property tax relief to homeowners who choose to delay or are unable to pay property taxes.

Background:

- The state has an interest in making sure homeowners can retain possession of their homes even under the most difficult circumstances. SB 193 gives municipalities the power to create a property tax deferral ordinance. The program permits a homeowner to defer payment of property taxes if they have lived in the residence for a minimum of ten years or are living below federal poverty guidelines. A local government cannot assess interest on the tax between the time the deferral is applied for and the time the property is sold. SB 193 is essentially a "homestead bill" that creates true home ownership.