

HAINES BOROUGH, ALASKA

**Adopted**

ORDINANCE 09-05-207

AN ORDINANCE OF THE HAINES BOROUGH AMENDING TITLE 3 TO ELIMINATE PERSONAL AND BUSINESS PROPERTY TAX.

BE IT ORDAINED:

Section 1. Classification. This ordinance is of a general and permanent nature and the adopted amendment shall become a part of the Haines Borough Code.

Section 2. Severability. If any provision of this ordinance or any application thereof to any person or circumstance is held to be invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

Section 3. Effective Date. This ordinance shall become effective immediately upon adoption.

Section 4. Purpose. This ordinance amends Title 3 to eliminate personal and business property tax. The code is amended as follows:

**3.70.010 Annual tax levy.**

C. The rate of levy shall be uniform on all real ~~and personal~~ property on the assessment roll except as provided for in HBC 3.70.060 through 3.70.070.

**3.70.020 Property subject to tax.**

All real property within the borough, ~~both real and personal of every nature,~~ not exempt under the laws of the United States or the state or the ordinances of the borough, is subject to taxation for municipal purposes.

**3.70.040 Local exemptions and exclusions.**

F. Any firm that begins operation after July 1, 1986, in the Haines Borough to process timber after it has been delivered to the processing site, if the firm has a yearly payroll of at least \$250,000, shall have 75 percent of the real ~~and personal~~ property exempted from taxation for a period of five years.

**3.70.050 Classifications of property.**

The following classifications of property are hereby established and assessment shall be made as provided:

A. ~~Vessels. All vessels (commercial or pleasure) shall be classified and assessed annually as follows.~~

1. ~~Over 16 feet shall be taxed at the lower amount of either market value multiplied by the mill rate or a flat rate according to the following net tonnage and location:~~

<del>Flat Rates</del>	
<del>a. Vessels located outside the townsite service area:</del>	
<del>\$50.00</del>	<del>less than five net tons</del>
<del>\$150.00</del>	<del>five net tons or more</del>
<del>b. Vessels located within the townsite service area:</del>	
<del>\$55.00</del>	<del>less than five net tons</del>
<del>\$165.00</del>	<del>five net tons or more</del>

2. ~~All vessels 16 feet and under shall be classified as personal effects which are not taxable.~~

3. ~~Canoes, kayaks, skiffs, and rubber rafts longer than 16 feet which are not used commercially shall also be classified as personal effects and not subject to tax. If used commercially, the taxation shall be the same as vessels over 16 feet.~~

B. ~~Farm or Agricultural Land. Farm use land included in a farm unit and not dedicated or being used for nonfarm purposes shall be assessed on the basis of full and true value for farm use and may not be assessed as if subdivided or used for some other nonfarm purpose, subject to AS 29.45.060.~~

E. B. ~~Mobile Homes. Mobile homes attached to the land or connected to water, gas, electric or sewage facilities are classified as real property for tax purposes; except mobile homes located within trailer parks, courts, or any other areas designed to accommodate mobile homes and charging a space rental are not classified as ~~personal~~ real property for tax purposes.~~

## Chapter 3.72

### PROPERTY TAX ASSESSMENT

#### 3.72.010 Definitions.

In this chapter, unless otherwise provided:

~~"Business property" includes all personal property as herein defined which is used for business purposes;~~

~~"Personal property" means tangible property other than real property, such as merchandise, stock in trade, machinery, equipment, furniture, fixtures, vehicles, vessels and aircraft;~~

"Property" means ~~real and personal~~ real property;

"Real property" means land and improvements, all possessory rights and privileges appurtenant to the property, and includes personal property affixed to the land or improvements;

"Tract" or "tracts" includes all lands, pieces or parcels of land, which may be separately assessed together with the fixtures and improvements thereon;

~~"Vessel" means every boat, ship, vessel, or water craft including but not limited to pleasure craft, fishing boats, and other commercial vessels.~~

### ~~3.72.030 Returns.~~

~~A. Each person having ownership or control of or an interest in taxable personal property shall submit a return in the form prescribed by the assessor, based on full and true property values existing on January 1st of the tax year.~~

~~B. The person making the return shall state an address to which all notices required to be given to that person under this title may be mailed or delivered.~~

~~C. The return shall show the nature, quantity, description and value of the property, and the place where it is situated 51 percent of the time. The return shall be in the form and include additional information as the borough prescribes and shall be signed and verified by the person liable or the person's authorized agent or representative.~~

~~D. The assessor may, by written notice, require a person to provide additional information within 30 days.~~

### ~~3.72.040 Independent investigation.~~

~~A. The assessor is not bound to accept a return as correct. The assessor may make an independent investigation of property returned or of taxable property on which no return has been filed. In either case, the assessor may make the assessor's own valuation of the taxable property and this valuation is prima facie evidence of the value of the property.~~

~~B. For investigation, the assessor may enter a premises during reasonable hours and may examine property on the premises. The assessor may examine all property records involved. A person shall, on request, furnish to the assessor every facility and assistance for the investigation. The assessor may seek a court order to compel entry and production of records needed for assessment purposes.~~

~~C. The assessor may examine a person on oath. On request of the assessor, the person shall submit to examination at a reasonable time and place selected by the assessor.~~

### ~~3.72.050 Violations.~~

~~For knowingly failing to file a return required by ordinance or knowingly making a false affidavit to a return relative to the quantity, description, value or location of property subject to taxation with intent to evade the taxation shall be a~~

~~misdemeanor, punishable by a fine up to \$1,000 or imprisonment for 90 days.~~

**3.72.060 Assessment reevaluation.**

The Haines Borough real and personal property assessment shall be reevaluated in its entirety according to a systematic cycle over the shortest period of time practicable, not exceeding every four years. (Ord. 08-11-193 § 4)

**Chapter 3.74  
PROPERTY TAX COLLECTION**

Sections:

- 3.74.010 Validity of assessment rolls.
- 3.74.020 Mailing tax statements.
- 3.74.030 Delinquent date for payment of taxes.
- 3.74.040 Penalty and interest.
- 3.74.050 Tax liability.
- 3.74.060 Action for collection of tax.
- 3.74.070 Foreclosure list.
- 3.74.080 Clearing delinquencies.
- 3.74.090 List to lien holder.
- 3.74.100 Apportionment of costs.
- 3.74.110 General foreclosure.
- 3.74.120 Answer and objection.
- 3.74.130 Judgment.
- 3.74.140 Transfer and appeal.
- 3.74.150 Borough or successor to recover value of improvements if foreclosure vacated.
- 3.74.160 Redemption period.
- 3.74.170 Effect.
- 3.74.180 Additional liens.
- 3.74.190 Possession during redemption period.
- 3.74.200 Expiration.
- 3.74.210 Deed to borough.
- 3.74.220 Disposition and sale of foreclosed property.
- 3.74.230 Repurchase by record owner.
- 3.74.240 Proceeds of tax sale.
- 3.74.250 Reserved.
- 3.74.260 Refund of taxes.
- ~~3.74.270 Enforcement of personal property tax liens by distraint and sale.~~
- ~~3.74.280 Demand for payment.~~
- ~~3.74.290 Warrant of distraint.~~
- ~~3.74.300 Notice of sale at public auction.~~
- ~~3.74.310 Sale of seized property.~~
- ~~3.74.320 Return on distraint and sale.~~
- 3.74.330 Return of taxes.

**3.74.050 Tax liability.**

A. Property taxes, together with penalty and interest, are a lien upon the property assessed, and the lien is prior and paramount to all other liens or encumbrances against the property.

~~B. In addition to the lien on personal property under subsection (A) of this section, the owner of assessed personal property is personally liable for the amount of taxes assessed against that property. The tax, together with penalty and interest, may be collected in a personal action brought in the name of the borough on behalf of the borough.~~

**3.74.060 Action for collection of tax.**

A. If the tax on real property is not paid when due, the borough may enforce the lien of the tax by the sale of the property assessed, after foreclosure in the special proceeding provided in this chapter, by order of the superior court.

~~B. If the tax on assessed personal property or on a leasehold interest in tax exempt property is not paid when due, the borough may enforce the tax by a personal action against the delinquent taxpayer brought in the district or superior court, in addition to other remedies available to the borough to enforce the lien.~~

~~**3.74.270 Enforcement of personal property tax liens by distraint and sale.**~~

~~A lien for personal property taxes may be enforced by distraint and sale of the property. A seizure, levy, or distraint is not legal unless demand is first made of the person assessed for the amount of the tax, penalty, and interest under HBC 3.74.280. A sale of distrained property is not valid unless made at public auction no sooner than 15 days after notice is published in accordance with HBC 3.74.300. The seizure is made by virtue of a warrant issued by the assessor to a peace officer in accordance with HBC 3.74.290.~~

~~**3.74.280 Demand for payment.**~~

~~A. If the tax on personal property is not paid when due, the borough shall make demand on the owner for immediate payment of taxes, together with penalty and interest. This demand shall be in substantially the following form:~~

~~DEMAND FOR PAYMENT OF DELINQUENT PERSONAL PROPERTY TAXES~~

~~To:~~

~~You are hereby notified that, according to the tax and assessment rolls of the Haines Borough, you are delinquent~~

~~in the payment of personal property taxes, penalties and interest, due and payable as follows:~~

<del>-</del>	<del>Year</del>	<del>Year</del>	<del>Total</del>
<del>Taxes:</del>	<del>\$</del>	<del>\$</del>	<del>\$</del>
<del>Penalty:</del>	<del>\$</del>	<del>\$</del>	<del>\$</del>
<del>Interest:</del>	<del>\$</del>	<del>\$</del>	<del>\$</del>
<del>TOTAL:</del>	<del>\$</del>	<del>\$</del>	<del>\$</del>

~~You are further notified that unless, within 30 days of the date of this notice, you pay the whole of said taxes, penalty and interest, the borough will either commence a personal action against you on your personal liability to pay this tax or seize the assessed property according to law under distraint proceedings and sell the property to satisfy in full the said tax, penalty and interest.~~

~~Dated at Haines, Alaska, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.~~

~~\_\_\_\_\_  
Haines Borough Assessor~~

~~B. The demand for immediate payment of delinquent personal property taxes shall be made by June 1st.~~

~~3.74.290 Warrant of distraint.~~

~~Should the delinquent personal property tax, penalty and interest for which demand has been made not be paid, the assessor may issue to a peace officer a warrant of distraint which shall be in form and substance as follows:~~

~~HAINES BOROUGH  
ALASKA  
WARRANT OF DISTRAINT  
No. \_\_\_\_\_~~

~~TO: PEACE OFFICER SERVING PROCESS, GREETING:~~

~~You are hereby directed to serve a copy of this Warrant upon \_\_\_\_\_ at \_\_\_\_\_ and levy upon as much of the following described personal property of the said person as the tax may have been levied upon, namely:~~

~~\_\_\_\_\_~~

~~You are hereby further directed to distraint the same and sell such personal property at public auction, after 15 days' notice by posting in accordance with HBC 3.74.300 for~~

~~and on behalf of the Haines Borough under the authority given it by law to foreclose tax liens on personal property, to satisfy delinquent personal property taxes of \$\_\_\_\_\_, together with penalty of \$\_\_\_\_\_ and interest of \$\_\_\_\_\_, plus reasonable costs and expenses of collection and sale.~~

~~And, if such personal property be insufficient to satisfy the total of said tax, penalty, interest and costs due and payable, you are hereby further directed to seize, levy upon, distraint and sell as aforesaid such other personal property as the person may possess to satisfy, according to law, the lien of the Haines Borough for unpaid personal property taxes.~~

~~GIVEN under my hand and seal of the Haines Borough, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.~~

~~\_\_\_\_\_  
Haines Borough Assessor~~

**~~3.74.300 Notice of sale at public auction.~~**

~~Upon receipt of the warrant of distraint, the peace officer shall forthwith prepare and post a notice of sale at public auction in three public places in the borough within five miles of the place of sale in substantially the following form:~~

~~NOTICE OF SALE AT PUBLIC AUCTION OF PERSONAL PROPERTY FOR UNPAID TAXES~~

~~NOTICE IS HEREBY GIVEN:~~

~~That the following described personal property will be sold at public auction at \_\_\_\_\_ in the Haines Borough, on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, at the hour of said day, which day is not less than 15 days from and after the date of this Notice and the posting thereof:~~

~~{INSERT PROPERTY DESCRIPTION}~~

~~Said personal property will be sold to satisfy the lien(s) of the Haines Borough (and \_\_\_\_\_) for delinquent personal property taxes in the amount of \$\_\_\_\_\_, penalty of \$\_\_\_\_\_, and interest of \$\_\_\_\_\_, and reasonable costs and expenses of sale, unless said taxes, penalty and interest are paid in full prior to date of sale, and such sale will continue until each and all of the items of personal property herein described are sold to the extent necessary to satisfy said lien and the costs and expenses of said sale.~~

All of the personal property described herein, or as much thereof as may be necessary in each individual case, will be sold at public auction for cash to the highest bidder to discharge said tax claim. To defray costs, in addition to storage or moving costs, if any, there will be assessed a commission of 10 percent on any sales in excess thereof received when said property is sold.

Dated at Haines, Alaska, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_

Peace Officer

**3.74.310 Sale of seized property.**

A. At the time and place given in the notice of sale posted under HBC 3.74.300, the peace officer shall proceed to sell at public auction to the highest bidder for cash as much of the personal property of the person assessed as is needed to satisfy the tax lien of the borough.

B. If the personal property sold is not sufficient to satisfy the tax, penalty, interest, and costs, the warrant issued under HBC 3.74.290 may authorize the seizure of other personal property sufficient to satisfy the tax, penalty, interest, and costs. If the property is sold for more money than is needed to satisfy the tax, the borough shall remit the excess to the former record owner upon presentation of a proper claim. A claim for the excess filed after six months of the date of sale is forever barred.

**3.74.320 Return on distraint and sale.**

Upon the warrant of distraint having been served and the personal property therein described having been seized and sold, the peace officer shall endorse on the reverse side of the warrant the officer's actions thereon and deliver the same to the assessor. The return shall be in substantially the following form:

RETURN OF SALE \_\_\_\_\_)  
STATE OF ALASKA \_\_\_\_\_)  
FIRST JUDICIAL DISTRICT \_\_\_\_\_)

I, (Name and title of peace officer) do hereby certify that I received the attached Warrant of Distraint on \_\_\_\_\_, 20\_\_\_\_, and did serve a copy of the warrant upon \_\_\_\_\_ on \_\_\_\_\_, 20\_\_\_\_, at \_\_\_\_\_ and did on \_\_\_\_\_, 20\_\_\_\_, seize the following property:



~~(list property seized)~~

I further certify that on \_\_\_\_\_, 20\_\_\_\_, I did post notice of the sale of said property in three public places, to wit: \_\_\_\_\_, \_\_\_\_\_, and \_\_\_\_\_ and \_\_\_\_\_ did pursuant to the notice offer at \_\_\_\_\_ said property for sale at public auction on \_\_\_\_\_, 20\_\_\_\_, and sold said property to \_\_\_\_\_ being the highest and best bidder(s), receiving the sum of \$ \_\_\_\_\_ as the proceeds of said sale, which amount is returned herewith.

\_\_\_\_\_  
Peace Officer

SUBSCRIBED and SWORN to before me this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Notary Public for Alaska.

ADOPTED BY A DULY CONSTITUTED QUORUM OF THE BOROUGH ASSEMBLY OF HAINES, ALASKA, THIS 9<sup>th</sup> DAY OF JUNE, 2009.

ATTEST:

Julie Cozzi  
Julie Cozzi, Borough Clerk

Janice Hill  
Janice Hill, Mayor

Date Introduced: 05/12/09  
Date of First Public Hearing: 05/26/09  
Date of Second Public Hearing: 06/09/09

