

Introduced by: Mayor
Date: 11/10/20
Hearing: 12/01/20
Action: Enacted
Vote: 9 Yes, 0 No, 0 Absent

**KENAI PENINSULA BOROUGH
ORDINANCE 2020-46**

**AN ORDINANCE AMENDING KPB 5.12.150(D) “HOME PORT” DEFINITION AND
DEFINING “BOATYARD” FOR PERSONAL PROPERTY TAX PURPOSES**

WHEREAS, KPB 5.12.150(D) establishes a personal property flat tax on boats, vessels or watercraft that meet the criteria set in code and does not apply to vessels with a home port location outside of the borough “unless the owner resides in the borough”; and

WHEREAS, borough residents owning boats have expressed concerns with the “unless the owner resides in the borough” language found in the definition of home port as it provides for borough tax on fishing vessels that have situs in another taxing jurisdiction; and

WHEREAS, this amendment to the definition of home port is intended to address those concerns as it establishes a rebuttable presumption that the area a vessel is permitted to fish in is a commercial fishing vessel’s normal base of operation for KPB 5.12.150 personal property tax purposes; and

WHEREAS, the amendments will define “boatyard” as an out-of-water location for purposes of KPB 5.12.150; and

WHEREAS, defining the term “boatyard” for personal property tax purposes will eliminate confusion regarding whether or not a boat that is in the water may be deemed to be at a “boatyard licensed to collect sales tax” for purposes of KPB 5.12.150;

NOW, THEREFORE, BE IT ORDAINED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

SECTION 1. That KPB 5.12.150(D) is hereby amend as follows:

**5.12.150. Personal property tax—Assessments—Boats—Repair exemption—
Appeal.**

D. Definitions: For purposes of this section:

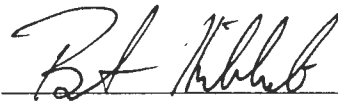
1. “Home port” means a vessel’s normal base of operation, which is presumed to be the vessel’s permitted fishing area for commercial fishing vessels. [UNLESS THE OWNER RESIDES IN THE

BOROUGH OR HAS A BASE OF OPERATIONS IN THE BOROUGH, AT WHICH THIS VESSEL REGULARLY CALLS, IN WHICH CASE, THE HOME PORT SHALL BE DEEMED TO BE IN THE BOROUGH].

2. "Seasonal storage" means storage in a boatyard licensed to collect sales taxes, at any time between September and June of each year. Vessels remaining in the borough in the remaining months will not be eligible for the seasonal storage exemption.
3. "Repairs/servicing" means a vessel brought into a boatyard licensed to collect sales taxes for the purpose of repairs or servicing at any time between September and June of each year. Vessels remaining in the borough in the remaining months will not be eligible for the repair/servicing exemption.
4. "Boatyard" means an out-of-water location where boats or watercraft are built, repaired, and stored.

SECTION 2. That this ordinance shall become effective January 1, 2021.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 1ST DAY OF DECEMBER, 2020.

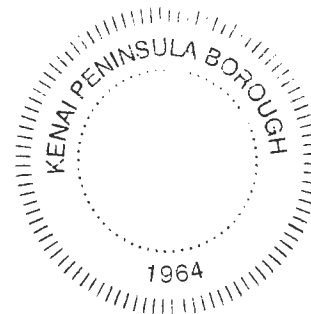


Brent Hibbert, Assembly President

ATTEST:



Johni Blankenship, MMC, Borough Clerk



Yes: Bjorkman, Carpenter, Chesley, Cox, Derkevorkian, Dunne, Elam, Johnson, Hibbert
No: None
Absent: None