



## More information

More information at [kpb.us](http://kpb.us), at Sales and Property Tax Revisions under Hot Topics

### Quick Facts

- The North Slope Borough is the only municipality in the state to offer as large a total senior property tax exemption as the Kenai Borough — and the North Slope Borough has more than \$20 billion in taxable oil and gas property and almost \$575 million in a savings account.
- Of the 4,162 senior-owned properties in the borough that received a property tax exemption in 2015, more than 3,600 were valued at under \$350,000 and paid no borough or service area property taxes.
- The number of senior properties that receive a tax exemption has increased 43% since 2009.
- The total value of tax-exempt senior property has increased almost 75% since 2009.
- In 2015, \$815 million in senior-owned property was tax exempt in the borough — almost 12% of all residential and commercial property in the borough (excluding oil and gas).
- The state projects that the senior population in the borough will grow from 8,600 in 2015 to almost 15,000 by 2030, to almost one-quarter of the entire borough population.
- The state stopped fully reimbursing the borough for \$150,000 of the senior tax exemption in 1986, and stopped all reimbursement in 1997. The second \$150,000 of the senior tax exemption is optional for municipalities — and has never been reimbursed by the state.
- None of the cities in the Kenai Borough provide the optional senior tax exemption; only the borough and service areas.
- The ordinance would not change the \$50,000 exemption provided seniors and all other residential property owners in the borough.

### Public Input

- The assembly will hold hearings on the ordinance June 21 and July 26.
- Public comments also can be sent to the borough clerk's office or posted on the borough website.
- If the borough assembly approves the ordinance, it would go before voters in the Oct. 4 borough-wide election.
- You can contact Larry Persily ([lpersily@kpb.us](mailto:lpersily@kpb.us)) for more information, 714-2158.



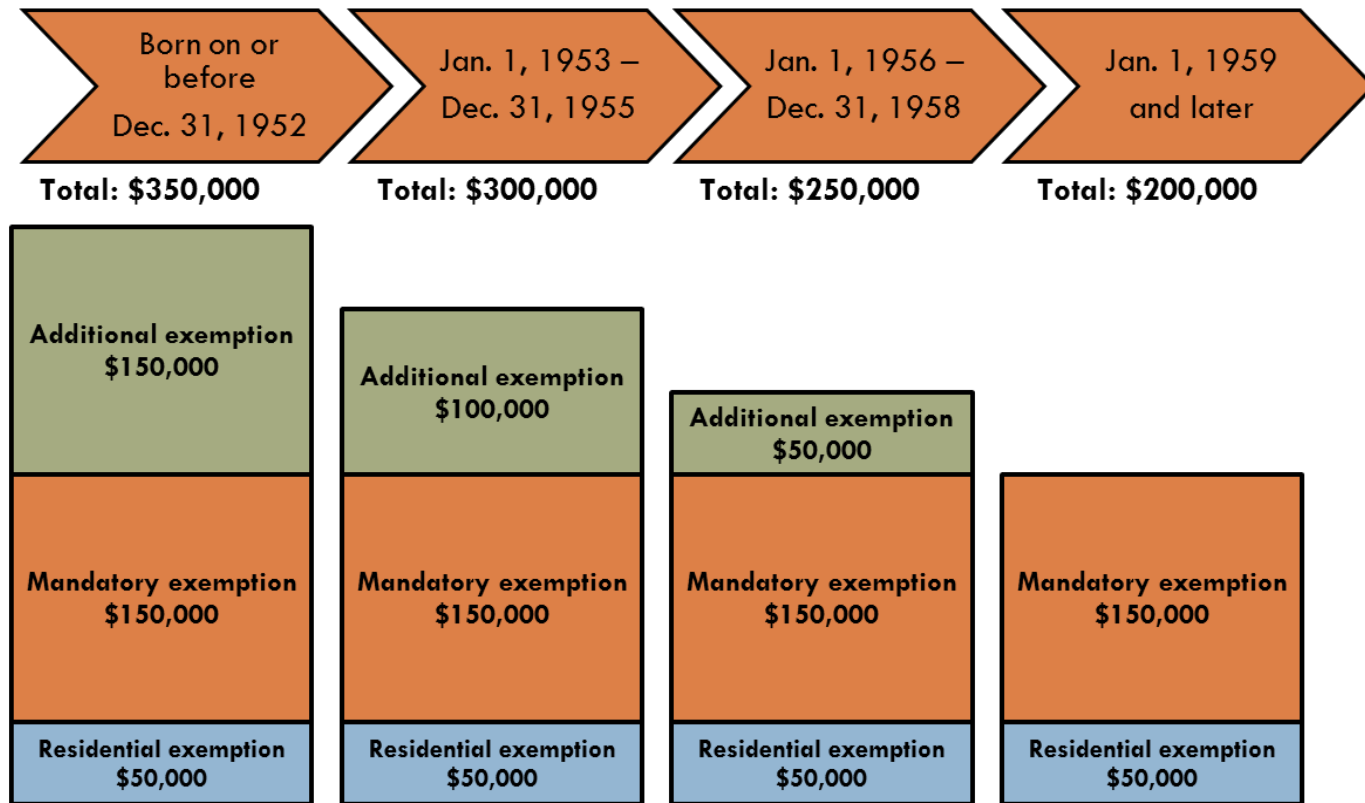
## KPB Proposed Senior Property Tax Exemption Changes Five Facts to Know

- 1** The changes do not eliminate the borough's senior property tax exemption.
- 2** Whatever exemptions a senior receives now would remain as long as they are eligible — no one would see their current exemption reduced under this proposal.
- 3** Even with the lower property tax exemption for new applicants starting in 2024, the Kenai Borough would still offer a larger total tax exemption for seniors than all but three municipalities in the state.
- 4** Even with the changes, residents who turn 65 years old after Dec. 31, 2023, owning a home assessed at less than \$200,000 would pay no borough or service area property taxes.
- 5** This proposed ordinance would not change the borough hardship provision that limits a qualifying senior's property tax bill to 2% of their annual household income.

# Proposed phase-in of changes

No change for currently exempt seniors or people who turn 65 before 2018

## Senior citizens total property tax exemption by owner's birthday



### How does this apply to me?

- What is your birthdate? Check above to see what your exemption will be, based on your birthdate. If you are born on or before Dec. 31, 1952, this will not affect your borough property tax exemption.
- What if I don't turn 65 until 2025? Even with the changes, you will be exempt from borough taxes on up to \$200,000 in property value.
- Do you qualify for a hardship exemption? If your borough tax bill is greater than 2% of your household annual gross income, you may qualify for a hardship exemption. This will not change that.

# Where the Kenai Borough would stack up in 2024

Of the 36 municipalities in Alaska that collect property taxes, the Kenai Borough would still rank fourth highest for total senior citizen residential property tax exemptions.

And only the borough — not any of the cities on the Kenai Peninsula — provide the additional \$150,000 senior tax exemption that is a local option under state law.



### What are the senior tax exemptions in other boroughs?

- North Slope Borough: \$350,000 total
- Skagway: \$250,000 total
- Matanuska-Susitna Borough: \$218,000 total
- Kenai Peninsula: \$200,000 for new seniors starting in 2024
- Anchorage: \$170,000 total\*
- Fairbanks North Star Borough: \$170,000 total\*

\*Anchorage and Fairbanks exempt 10% and 20%, respectively, of residential property value up to \$20,000.

