

Introduced by: Mayor  
Date: 05/17/16  
Hearings: 06/07/16 and 06/21/16  
Action:  
Vote:

**KENAI PENINSULA BOROUGH  
ORDINANCE 2016-16  
(WELLES) SUBSTITUTE**

**AN ORDINANCE AMENDING KP.B 5.18.200(A)(16) TO EXEMPT RESIDENTIAL  
RENTALS FROM SALES TAX**

**WHEREAS**, KP.B 5.18.200(A)(16) currently exempts from sales taxes housing for senior, disabled resident, an disabled veterans; and

**WHEREAS**, tenants of residential property should not have to pay sales tax on their rent or lease payments; and

**WHEREAS**, affordable rental housing is important for the borough and its residents;

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

**SECTION 1.** That KP.B 5.18.200(A)(16) is hereby amended as follows:

**5.18.200. Exemptions/waivers—Exemptions.**

A. The following classes of retail sales, services and rentals are exempt:

...

16. Rental or lease payments for a dwelling unit for a permanent place of abode. [SENIOR, DISABLED RESIDENT, AND DISABLED VETERAN HOUSING RENT. RENTAL PAYMENTS FOR A DWELLING UNIT FOR A PERMANENT PLACE OF ABODE BY A RESIDENT WHO IS AT LEAST 65 YEARS OF AGE, OR WHO IS A DISABLED VETERAN OR A DISABLED RESIDENT. DISABLED VETERAN HAS THE MEANING PROVIDED IN KP.B 5.12.105(F)(3), AND THE TERM DISABLED RESIDENT HAS THE MEANING PROVIDED IN KP.B 5.12.110, AS THOSE PROVISIONS ARE NOW ENACTED OR MAY BE HEREINAFTER AMENDED.]

Dwelling unit means a house, apartment, or room in a residential facility such as congregate housing or assisted living. Permanent means the tenant has lived in the dwelling unit [WITHIN THE KENAI PENINSULA BOROUGH] for a minimum of [SIX MONTHS] one month or signed a lease agreement for the dwelling unit with a term greater than one month. [AND IS A

RESIDENT OF THE STATE OF ALASKA.] The landlord must accept an affidavit on a form provided by the borough or otherwise acceptable to the borough administration from the tenant as proof of [AGE AND] eligibility for this exemption. [IF ANY PERSON UNDER 65 YEARS OF AGE, OTHER THAN A SPOUSE, RESIDES IN THE DWELLING UNIT WITH A QUALIFYING SENIOR, THE EXEMPTION MAY NOT BE GRANTED UNLESS THE SENIOR IS THE PRINCIPAL SOURCE OF SUPPORT FOR SUCH PERSON LESS THAN 65 YEARS OF AGE, OR UNLESS THE PERSON QUALIFIES AS A DISABLED VETERAN OR A DISABLED RESIDENT. THIS EXEMPTION SHALL ALSO APPLY TO A RESIDENT AT LEAST 60 YEARS OLD WHO IS THE WIDOW OR WIDOWER OF A PERSON WHO QUALIFIED FOR THIS EXEMPTION AS A SENIOR CITIZEN OR A DISABLED VETERAN.]

**SECTION 2.** That this ordinance shall become effective January 1, 2017.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS \*  
DAY OF \* 2016.**

\_\_\_\_\_  
Blaine Gilman, Assembly President

ATTEST:

\_\_\_\_\_  
Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent: