



CITY OF WASILLA

290 E. HERNING AVE.
WASILLA, ALASKA 99654-7091
PHONE: (907) 373-9050
FAX: (907) 373-9085

Code Ordinance
Requested By: Mayor Palin
Prepared By: Clerk's Office
Introduction Date: 03/10/97
Public Hearing Date: 03/24/97
Substituted: 12/19/97
Amended: 12/19/97
Adopted: 12/19/97

CITY OF WASILLA ORDINANCE SERIAL NO. 97-18 (SUBSTITUTE)

AN ORDINANCE OF THE CITY OF WASILLA, ALASKA, AMENDING WMC 6.04.080, BY EXEMPTING PERSONAL PROPERTY FROM THE LEVY OF THE WASILLA PERSONAL PROPERTY TAX AND ENACTING WMC 6.04.090, ESTABLISHING A MOTOR VEHICLE REGISTRATION TAX.

BE IT ORDAINED AND ENACTED BY THE CITY OF WASILLA, ALASKA AS FOLLOWS:

Section 1. Classification. This ordinance is of a general and permanent nature and shall become a part of the Wasilla Municipal Code.

Section 2. Purpose. The purpose of this ordinance is to exempt all personal property within the Wasilla City limits from City property tax, and to enact a motor vehicle registration tax.

Section 3. Authority. Pursuant to A.S. 29.45.010(b) and A.S. 29.45.560, the City of Wasilla is authorized to levy a property tax, consistent with the law and procedures referred to in those statutes. In turn, A.S. 29.45.050 (b) and (c) further authorizes a municipality to exempt designated personal property. Further, A.S. 29.45.055 authorizes the City to levy a flat tax if that type of property has been exempted pursuant to an ordinance implementing an exemption per A.S. 29.45.050. Further, A.S. 29.45.050(c)(3) authorizes a city, in a borough, to "adjust its property tax structure in whole or in part to the property tax structure of the borough, including but not limited to exempting or partially exempting property from taxation."

Section 4. Amendment of section. Title 6, Revenue and Finance, Section 6.04.080 is hereby amended to read as follows :

6.04.080 Real and Personal Property Tax.

A. By Ordinance the Council may levy a general property tax in the manner provided for Borough levies in A.S. 29.45.560-29.45.600. **The City property tax levy will be subject to the statutory limitations referred to in A.S. 29.45.560.**

B. Pursuant to A.S. 29.45.050(c)(3), the City adjusts the types of property subject to tax by the City to exempt all personal property.

C. The Council shall by June 15 of each year present to the **Matanuska-Susitna** Borough Assembly, a statement of the City's rate of levy unless a different date is agreed upon by the Borough and City.

Section 5. Adoption of section. Title 6, Revenue and Finance, Section 6.04.090 is hereby adopted to read as follows:

6.04.090 Motor Vehicle Registration Tax.

Motor vehicles shall be subject to the Matanuska-Susitna Borough motor vehicle registration tax, pursuant to MSB 3.15.035(B), levied and collected by the State in accordance with A.S. 28.10.431. As provided by A.S. 28.10.431(f), revenue received by the Matanuska-Susitna Borough shall be allocated to the City.

Section 6. Effective date. Ordinance Serial No. 97-18(SUB) shall take effect on January 1, 1998.

ADOPTED by the Wasilla City Council this 19th day of December, 1997.



SARAH PALIN, Mayor

ATTEST:



KRISTIE L. VANGORDER, CMC/AAE
City Clerk

ORDINANCE SERIAL NO. 97-18

AN ORDINANCE OF THE CITY OF WASILLA, ALASKA, AMENDING WMC 6.04.080, ADJUSTING THE PERSONAL PROPERTY TAX STRUCTURE TO THE TAX STRUCTURE OF THE BOROUGH AND THEREBY EXEMPTING PERSONAL PROPERTY, EXCEPT MOTOR VEHICLES, AIRCRAFT AND BUSINESS INVENTORY IN EXCESS OF \$250,000.00, FROM THE LEVY OF THE WASILLA PERSONAL PROPERTY TAX.

BE IT ORDAINED AND ENACTED BY THE CITY OF WASILLA, ALASKA AS FOLLOWS:

SECTION I. Classification. This is a code ordinance and shall become a part of the Wasilla Municipal Code.

SECTION II. Purpose. THE OVERALL INTENT OF THIS ORDINANCE IS TO ADOPT AN ORDINANCE THAT ESTABLISHES PERSONAL PROPERTY TAXATION FOR TYPES OF PERSONAL PROPERTY WITHIN THE CITY OF WASILLA THAT IS IDENTICAL TO THE TYPES OF PERSONAL PROPERTY SUBJECT TO PERSONAL PROPERTY TAXATION BY THE ORDINANCES OF THE MATANUSKA-SUSITNA BOROUGH. AT PRESENT, THIS MEANS THAT THIS ORDINANCE EXEMPTS PERSONAL PROPERTY FROM THE LEVY OF THE WASILLA PERSONAL PROPERTY TAX EXCEPT 1) MOTOR VEHICLES, 2) AIRCRAFT SITED IN THE CITY OF WASILLA AND 3) BUSINESS INVENTORY IN EXCESS OF \$250,000.00. HOWEVER, IT IS NOT THE INTENT OF THIS ORDINANCE TO ADOPT FUTURE MATANUSKA-SUSITNA BOROUGH ORDINANCE AMENDMENTS THAT ALTER THE TYPES OF PERSONAL PROPERTY SUBJECT TO THE LEVY OF THE MSB PERSONAL PROPERTY TAX AS AUTOMATICALLY ALTERING THE PERSONAL PROPERTY SUBJECT TO THE LEVY OF THE WASILLA PERSONAL PROPERTY TAX. FUTURE AMENDMENT OF THE TYPES OF PERSONAL PROPERTY SUBJECT TO THE WASILLA PERSONAL PROPERTY TAX WILL REQUIRE ACTION OF THE CITY OF WASILLA.

SECTION III. Authority. Pursuant to A.S. 29.45.010(b) and A.S. 29.45.560, the City of Wasilla is authorized to levy a property tax, consistent with the law and procedures referred to in those statutes. In turn, A.S. 29.45.050 (b) and (c) further authorizes a municipality to exempt designated personal property. Further, A.S. 29.45.055

*Delayed pending Borough
action on Personal Property Tax*

authorizes the City to levy a flat tax if that type of property has been exempted pursuant to an ordinance implementing an exemption per A.S. 29.45.050. Further, A.S. 29.45.050(c)(3) authorizes a city, in a borough, to "adjust its property tax structure in whole or in part to the property tax structure of the borough, including but not limited to exempting or partially exempting property from taxation."

SECTION IV. Enactment. Title 6, Revenue and Finance, Section 6.04.080 is amended to read as follows :

6.04.080 Real and Personal Property Tax.

A. By Ordinance the Council may levy a general property tax in the manner provided for Borough levies in A.S. 29.45.560-29.45.600. The City property tax levy will be subject to the statutory limitations referred to A.S. 29.45.560.

B. Pursuant to A.S. 29.45.050(c)(3), the City of Wasilla hereby declares its intent to adjust the types of personal property subject to tax by the City of Wasilla so as to levy the City of Wasilla personal property ad valorem tax or flat tax on only those types of personal property that are subject to ad valorem or flat tax by the personal tax levy or registration fee(s) of the Matanuska-Susitna Borough. However, it is not the intent of this ordinance to adopt future Matanuska-Susitna Borough ordinance amendments that alter the types of personal property subject to the levy of the MSB personal property tax as automatically altering the personal property subject to the levy of the Wasilla personal property tax. Amendment of the types of personal property subject to the levy of the Wasilla personal property tax will require action of the City of Wasilla. To accomplish this purpose, all personal property shall be exempt from the levy of the Wasilla property tax, except :

(1) Business inventory in excess of \$250,000.00 in value shall be subject to ad valorem taxation at the rate of levy determined pursuant to Sub-Section "C." below, pursuant to the collection practices and procedures of the Matanuska-Susitna Borough;

(2) Aircraft shall be subject to a City of Wasilla flat tax, upon registration of aircraft pursuant to MSB 3.33.005-.050 and 3.33.080 - .120, as follows. The flat tax of the City of Wasilla shall be in addition to the registration tax of the Matanuska-Susitna Borough and shall be in the amount of \$75 per year for a single engine aircraft, hot air balloons and gliders, and \$125 per year for aircraft with two or more engines. For purposes of this section the tail rotor of a helicopter shall not be counted as an engine. The tax is due and payable and shall be submitted to the Matanuska-Susitna Borough finance department with the application for registration or the renewal notice submitted to the Matanuska-Susitna Borough pursuant to MSB 3.33.005-.050 and 3.33.080 - .120. In turn, the City of Wasilla flat tax shall then be

remitted by the Matanuska-Susitna Borough to the City of Wasilla;

(3) Motor vehicles shall be subject to the Borough motor vehicle registration tax, pursuant to MSB 3.15.035(B), levied and collected by the state in accordance with A.S. 28.10.431. As provided by that state law, A.S. 28.10.431(f) requires that money received by the borough shall then be allocated by the borough by ordinance for city, area outside city, and service area purposes within the borough.

[Option to exempt aircraft, if chosen by Council would require removal of the portion, above, referring to the taxation of aircraft - See earlier proposed Ordinance introduced in January]

C. The Council shall by June 15 of each year present to the Borough Assembly a statement of the City's rate of levy unless a different rate is agreed upon by the Borough and City.

SECTION V. Effective Date. This ordinance shall become effective upon adoption by the Wasilla City Council, but is to first apply to the levy of property tax for the 1999 fiscal year - meaning the fiscal year beginning July 1, 1998. This date is chosen to accommodate the procedures by which the levy of the tax is implemented by the procedures of the Matanuska-Susitna Borough.

ADOPTED by the City Council of the City of Wasilla this ____ day of _____, 1997.

SARAH H. PALIN, Mayor

ATTEST:

MARJORIE D. HARRIS, CMC
City Clerk