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## Chapter 4.12 PROPERTY TAX

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#### **4.12.010 Definitions.**

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The following terms and phrases whenever used in this chapter shall have the meanings ascribed to them in this section.

A. "Real property" includes:

1. Land itself, whether laid out in lots or otherwise,
2. All buildings, structures, improvements, fixtures of whatsoever kind permanently fixed thereon,
3. Mobile homes, modular homes, trailers, house trailers, trailer coaches and similar property used or intended to be used for residential, office, or commercial purposes and attached to the land or connected to water, gas, electric, or sewage facilities,
4. All possessory rights and privileges belonging or in any way appertaining thereto, including possessory rights to tidelands;

B. "Tangible property" means property which may be seen, weighed and measured by the physical senses and capable of being possessed. Stocks and bonds shall not be considered tangible property;

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

D. "Business property" includes all personal property and real property as hereinabove defined which is used for business purposes;

E. "Boat or vessel" means an item designed and constructed for the principal purpose of transporting goods or persons by water. Registration, licensing or documentation shall not be conclusive, but shall be considered along with the use and hull design, including whether or not the item is actually and reasonably used in transporting persons or articles in navigation.

1. Materials that have been attached or installed as of January 1st of any year as part of the manufacture of a boat or vessel shall be taxed as a boat or vessel for purposes of this chapter if as of January 1st of any year the product of the manufacture is recognizable as a boat or vessel by a reasonable person;

F. "Nonlight aircraft" means any aircraft with a maximum gross takeoff weight of greater than twelve thousand five hundred pounds;

G. "Light aircraft" means any aircraft with max gross takeoff weight of twelve thousand five hundred pounds or less.

(Ord. [16-45](#) § 4 (part), 2016; Ord. [10-30](#) § 4 (part), 2010; Ord. [06-50](#) § 4 (part), 2007; Ord. [00-1597](#) § 4, 2000; Ord. [97-1470](#) § 4, 1998; Ord. [82-526](#) § 4 (part), 1983; Ord. [72-20](#) § 3 (part), 1972; B.C.S. § 3.20.010.)

#### **4.12.020 Property subject to tax.**

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A. All property within the corporate limits of the city and borough, both real and personal, of every nature, not exempt under the laws of the United States or the state of Alaska, is subject to taxation for school and municipal purposes, and taxes upon such property must be assessed, levied and collected as provided herein, except the following property shall not be subject to taxation:

1. Personal property consisting of boats and vessels, light aircraft, household goods, jewelry, intangibles and personal effects, including motorcycles and snowmobiles not used in business and all motor vehicles subject to the motor vehicle registration tax.

B. For the purpose of assessing, levying, and collecting taxes, any nonlight aircraft located within borough limits at any time in a tax year shall be considered taxable personal property and the owner shall file a property tax return indicating the fair market value of the property as of January 1st of each tax year. Property is assumed to be present within the borough year round unless demonstrated otherwise. An aircraft that is in transit and does not receive any benefit or services in the borough during the year is not subject to taxation under this section. If the owner can demonstrate the property was absent one or more days during the tax year, the owner shall file a personal property return indicating (1) the fair market value of the property, and (2) the number of days the property was within the borough. The assessed value of such property shall be determined by the following formula:

$$\text{Assessed value} = (\text{fair market value}/365 \text{ days}) \times \text{number of days [including partial days] in borough}$$

Any nonlight aircraft operated by a scheduled carrier which is based outside of the borough shall be assessed in proportion to the number of landings in the borough. For purposes of determining the assessed value of the property, the assessor shall use the fair market value as of January 1st of the current tax year, and shall use the total number of landings in the borough by the property in the previous tax year. It shall be the responsibility of the carrier to provide the borough with a personal property return documenting the total landings for each aircraft. In the event the carrier fails to provide such documentation, the assessor shall assess the property based on its nonapportioned full value as of January 1st of the tax year. For the purpose of this section:

1. "Scheduled carrier" shall mean any certified air carrier which maintains a regular schedule of flights within the borough;
2. An aircraft is "based outside of the borough" if the airport at which the aircraft is usually based, as indicated by that aircraft's registration, lies outside the borough limits, unless the borough has reason to believe that the aircraft is in fact based within the borough limits. This value shall be determined by the following formula:

$$\text{Assessed value} = (\text{fair market value}/17,520) \times \text{total landings}$$

(Ord. [16-45](#) § 4 (part), 2016; Ord. [04-49](#) § 4, 2004; Ord. [94-1280](#) § 4, 1994; Ord. [93-1182](#) § 4, 1993; Ord. [91-989](#) § 4, 1991; Ord. [84-619](#) § 4(A), 1984; Ord. [82-526](#) § 4 (part), 1983; B.C.S. § 3.20.020.)

#### **4.12.025 Exemptions.**

- A. The following property is exempt from general taxation: All properties required to be exempt from taxation under AS [29.45.030](#) which are adopted and incorporated by reference.
- B. Required exemptions shall be granted and claimed as set forth under the procedures in AS [29.45.030](#) which are adopted and incorporated by reference.
- C. Definitions relating to required exemptions set forth in AS [29.45.030](#) are also adopted and incorporated by reference.
- D. For all tax years beginning with the 2002 tax year, the senior citizen or disabled veteran required exemptions set forth in AS [29.45.030](#)(e) and (f) may not be granted except upon written application on a form

provided by the assessor. A once qualified senior citizen or disabled veteran need not file the application for successive tax years but must notify the assessor of any change in ownership, residency, permanent place of abode or status of disability.

E. The community purpose optional property tax exemption under AS [29.45.050\(b\)\(1\)\(A\)](#) is adopted and incorporated by reference. All or a portion of the property of an organization not organized for business or profit making purposes and used exclusively for community purposes, may be exempted if income derived from rental of that property does not exceed the actual cost to the owner of the use by the renter.

F. Business property inventory that is subject to sale and is nonreal property shall be exempt from taxation, as an optional exemption as set forth in AS [29.45.050\(c\)](#).

G. Exemption application shall be filed by no later than the last day of February of each year.

1. The assembly for good cause shown may waive the claimant's failure to make timely application and authorize the assessor to accept the application as if timely filed. "Good cause" shall mean:

a. Extraordinary circumstances beyond the control of the claimant, including but not limited to a medical condition or disability, impaired mental capacity, illiteracy, family emergency, death in the family, or other similar serious condition or event, that substantially impaired the claimant's ability to file a timely application.

b. Extraordinary circumstances for a finding of good cause do not include late filing due to the claimant's inadvertence, oversight, or lack of knowledge regarding the filing requirements or deadline, financial hardship or failure to pick up or read mail or to make arrangements for an appropriate and responsible person to pick up or read mail.

If a failure to timely file has been waived and the application approved, the amount of the tax that the claimant has already paid for the property exempted shall be refunded to the claimant.

2. The city and borough shall not accept a late application for an exemption under subsection A or B of this section that is filed more than ninety days after the date the application was due for the assessment year for which the exemption is sought, regardless of good cause.

H. Each optional exemption must receive prior approval by the assembly, giving consideration to the benefits provided the community by the organization and to the amount of property to be removed from the tax rolls.

In order to be considered a community service organization, an organization must:

1. Benefit a significant portion of the public; and
2. Not profit persons other than employees; and
3. Qualify for a federal income tax exemption under [26 USC 501](#).

I. Required property tax exemptions shall be granted or denied by the assessor. Optional property exemptions shall be granted or denied by the assembly. Any appeal from the final administrative decision by the assessor or the assembly must be filed within thirty days of the decision to the Alaska Superior Court at Sitka in accordance with Alaska Rules of Appellate Procedure.

J. The assessor shall periodically review required and optional property exemption status to determine

whether the taxpayer and use of the property still qualifies for the exemption.

K. A taxpayer who files a timely business property return with the assessor shall be exempted the first twenty-five thousand dollars of assessed value of business property owned by each taxpayer from taxation as an optional exemption as set forth in AS [29.45.050](#)(c). For taxpayers with multiple business property accounts, the optional exemption will be distributed among all of the accounts pro rata, based on the proportion of the assessed value in each account to the total assessed value of taxpayer's business property. This exemption shall not apply to personal property affixed to land or improvements to land, float houses, nor to motor vehicles subject to a registration tax under AS [28.10.431](#) and as such statute may be hereafter amended, revised, or replaced.

(Ord. [22-23](#) § 4, 2022; Ord. [16-45](#) § 4 (part), 2016; Ord. [13-29](#) § 4 (part), 2013; Ord. [13-26](#) § 4, 2013; Ord. [11-23](#) § 4, 2011; Ord. [06-50](#) § 4 (part), 2007:

Ord. [02-1658](#) § 4, 2002; Ord. [01-1616](#) § 4, 2001; Ord. [89-895](#) § 4, 1989; Ord. [86-694](#) § 4, 1986.)

#### **4.12.030 Assessor's duties.**

A. Manner of Listing Property. The assessor shall complete the listing of all real and personal property subject to taxation within the limits of the corporation before July 1st of each year. The listing of all taxable property may be made upon permanent separate ledger cards which will be the combined assessment roll and tax ledger. Real property shall be assessed to the owner of record as shown in the records of the recorder for the recording district; provided, however, that any other person having an interest in the property may be listed on the assessment records with the owner. The person in whose name any property is listed as owner thereof shall be conclusively presumed to be the legal owner of record. If the owner of land is unknown, such land may be assessed to an "unknown owner" or "unknown owners." No assessment shall be invalidated by a mistake, omission or error in the name of the owner of the real property assessed, if the property is correctly described.

B. Description of Real Property. The assessor may list real property located in a subdivision by lot and block or tract description, and unsubdivided property according to the land office section and township survey description, or by describing the boundaries of the property, or by reference to the book and page of the records of the recorder where the description may be found, or by tax lot number referring to a public record kept by the assessor of descriptions of real property, or by any other description capable of being made certain. Initial letters, abbreviations, fractions and exponents to designate the township, range, section or part of a section, or the number of a lot or block or part of a lot or block, or a distance, course, bearing or direction, may be used in a description of real property.

C. Independent Investigation by Assessor. The assessor shall not be bound to accept as correct the return made by any person, but if he thinks it necessary or expedient, or if he suspects that a person who has not made a return has property subject to taxation he shall make an independent investigation as to the property of that person and may make his own valuation and assessment of the taxable amount thereof, which shall be prima facie evidence for all legal purposes and proceedings.

D. Content of Assessment Roll. The assessor shall prepare an annual assessment roll in duplicate, after consideration of all returns made to the assessor pursuant to this chapter, and after careful inquiry from such sources as the assessor may deem reliable. On the roll the assessor shall enter the following particulars:

1. The names and last known addresses of all persons with property liable to assessment and taxation;
2. A description of all taxable property;

3. The assessed value, quantity, or amount of the property.
- E. Corrections by Assessor. The assessor may correct any error or supply any omission made or arising in the preparation of the assessment roll at any time before the sitting of the board of equalization.
  - F. Completion of Assessment Roll. After the hearings held by the board of equalization are concluded the assessor shall complete the annual assessment roll, at a time to be determined by the assembly which shall be based on values as of January 1st immediately preceding, and he shall certify the same.
  - G. Supplementary Assessment Rolls. The assessor shall include property omitted from the assessment roll on a supplementary roll, using the procedures set forth in this chapter for the original roll.
  - I. Entry of Changes by Assessor. The assessor shall enter changes authorized and approved by the board and certified to by the finance director upon his records and no assessed valuations shall thereafter be changed.
  - J. Delivery of Assessment Roll to Assembly. When the final assessment records have been completed. by the assessor as herein provided, the assessor shall deliver to the assembly a statement of the total assessed valuation of all real and personal property within the city and borough.

(Ord. [13-29](#) § 4 (part), 2013; Ord. [86-691](#) § 4, 1986; Ord. 84-6 19 § 4(B)(l), 1984; B.C.S. § 3.20.030.)

#### **4.12.040 Assessment of property at full and true value.**

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Property shall be assessed at its full and true value in money, as of January 1st of the assessment year. Assessments on personal property shall not be prorated for the assessment year except as follows: nonlight aircraft operated in intrastate, interstate or foreign commerce shall be assessed on an apportionment basis according to Section [4.12.020](#)(B). In determining the full and true value of property in money, the person making the return or the assessor, as the case may be, shall not adopt a lower or different standard of value because the same is to serve as a basis of taxation, nor shall he adopt as a criterion of value the price for which the property would sell at auction, or at a forced sale, either separately or in the aggregate with all of the property in the taxing district, but he shall value the property at such sum as he believes the same to be fairly worth in money at the time of assessment. (Ord. [16-45](#) § 4 (part), 2016; B.C.S. § 3.20.040.)

#### **4.12.045 Exemptions—Disaster damage.**

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A. Reassessment of Property Damaged by Disaster. An owner of any taxable property within the borough, or any person liable for the taxes thereon, whose property was damaged by a disaster without his or her fault, may apply for reassessment of that property under this section. In addition, the assessor may initiate such reassessment where the administrator determines that within the current assessment year taxable property located in the borough was damaged by a disaster.

B. Definitions. Unless the context clearly requires a different meaning, the following words and phrases as used in this section are defined as shown below:

“Damage” means harm resulting from physical injury to property, including partial or total destruction, and a diminution in the value of improvements or land resulting from restricted access to property caused by the disaster.

“Disaster” means the occurrence or imminent threat of widespread or severe damage, injury, loss of life or property, or shortage of food, water, or fuel resulting from:

1. An incident such as storm, high water, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mudslide, avalanche, snowstorm, prolonged extreme cold, drought, fire, flood, epidemic, explosion, or riot;
  2. The release of oil or a hazardous substance if the release requires prompt action to avert environmental danger or mitigate environmental damage; or
  3. Equipment failure if the failure is not a predictably frequent or recurring event or preventable by adequate equipment maintenance or operation.
- C. Eligibility. To be eligible for reassessment, the damage to the property shall have been caused by any of the following:
1. A disaster in an area or region declared by the administrator, the Governor, or the President to be in a condition of disaster emergency;
  2. A disaster as that term is defined in this section; or
  3. A disaster that, with respect to a possessory interest in land owned by the state or federal government, has caused the permit or other right to enter upon the land to be suspended or restricted.
- D. Application for Reassessment.
1. The application for reassessment must be filed with the assessor within sixty days of the disaster by delivering to the assessor a written application, on a form provided by the assessor, requesting reassessment and describing the condition and value of the property immediately before and after the damage or destruction.
  2. If no application is made and the assessor determines that within the calendar year a property has suffered damage caused by disaster that may qualify the property owner for relief under an ordinance adopted under this section, the assessor may provide the last known owner of the property with an application for reassessment. The property owner shall file the completed application within thirty days of the date of the mailing of notification by the assessor but in no case more than sixty days after the occurrence of said damage.
  3. Upon receiving the proper application, the assessor or assessor's designee will inspect the property and verify the prior year's full and true value of land, improvements, personal property, or the proposed or certified current year's value immediately before and after the damage or destruction.
  4. If an applicant has refused or failed to provide the assessor or the assessor's agent full access to property or records reasonably requested by the assessor, the applicant shall be precluded from any reduction or relief, and any valuation or valuation issue affected by the lack of access shall be decided in favor of the assessor.
  5. If the sum of the full and true values of the land, improvements, and personal property before the damage exceeds the sum of the values after the damage by ten thousand dollars or more, the assessor shall also separately determine the percentage reduction in value of the land, improvements, or personal property due to the damage or destruction. The assessor shall reduce the values appearing on the assessment roll by the percentage of damage or destruction computed pursuant to this section, and the taxes due on the property shall be adjusted as provided this section. However, the amount of the reduction shall not exceed the actual loss.

6. Any damages to land, improvements, personal property, or additions that do not appear on the assessment roll are not eligible for consideration under this section.

E. Notice of Reassessment. The assessor shall notify the applicant in writing of the amount of the proposed reassessment. The notice shall state that the applicant may appeal the proposed reassessment to the board of equalization within thirty days of the date of mailing the notice.

F. Appeal. Appeals of the reassessed value shall be heard in accordance with the valuation and flat tax appeal procedures provided in this chapter. A decision of the board of equalization regarding reassessment issued pursuant to this section shall create no presumption regarding the value of the affected property subsequent to the date of the damage.

G. Tax Roll Adjustment. Any reassessed value resulting from one or more reductions in full and true value of amounts, as determined above, shall be forwarded to the finance director. The finance director shall calculate and enter the reassessed tax values on the finance roll as a tax adjustment request (TAR).

H. Tax Adjustment. The tax rate fixed for the property so reassessed shall be applied to the amount of the reassessment as determined in accordance with this section. The owner of record shall be liable for a prorated portion of the taxes that would have been due on the property for the current calendar year had the disaster not occurred. This proration is determined on the basis of the number of days remaining in the calendar year beginning with the date of the disaster. For purposes of applying the calculation in prorating taxes, the term "calendar year" means the portion of the current tax year used to determine the adjusted amount of taxes based on a three-hundred-sixty-five-day year. If the damage or destruction occurred after January 1st and before the beginning of the next calendar year, the reassessment shall be utilized to determine the tax liability for the current year. Any tax paid in excess of the total tax due shall be refunded to the taxpayer as an erroneously collected tax within sixty days of the final determination of the adjusted tax liability.

I. Effect of Revised Assessment. The assessed value of the property in its damaged condition, as determined pursuant to this section, shall be the taxable value of the property until December 31st of the year in which the disaster occurred, unless the value is otherwise adjusted as allowed by law.

(Ord. [14-13A](#) § 4, 2014.)

#### **4.12.050 Property owners' returns.**

A. Submission Basis. By no later than February 15th of each year, every person shall submit to the assessor a return of any business property or personal property, subject to taxation, owned by him, or in which he has an interest, and of the property held or controlled by him in a representative capacity, in the manner prescribed in this title, which return shall be based upon property values existing as of January 1st in the same year. For good cause shown, prior to delinquency, an extension of time of up to twenty-nine days may be granted by the assessor, but he may grant no extension ending later than March 15th of the tax year.

B. Contents. The person making the return in every case shall state an address to which all notices required to be given to him under this title may be mailed or delivered.

The returns shall show the nature, description, and true value of the property and the place where the property is situated and the return shall be in such form and include such additional information as the assembly may prescribe, and shall be signed and verified by the person liable or his or its authorized agent or representative.



In addition the person making the return shall give the name or names of any person or persons to whom he conveyed property during the previous year and a brief description of the property so conveyed sufficient to identify it on the tax records.

C. Additional Information. The assessor may, by notice in writing to any person by whom a return has been made, require from taxpayer a further return containing additional details and more explicit particulars and upon receipt of the notice, that person shall comply fully with its requirements within fourteen days.

(Ord. [13-29](#) § 4 (part), 2013; Ord. [82-518](#) § 4, 1982; Ord. [76-257](#) § 4, 1976; Ord. [72-20](#) § 3 (part), 1972; B.C.S. § 3.20.050.)

#### **4.12.055 Failure to file return—Fee—Penalty.**

A. A taxpayer who fails to file a return as provided in Section [4.12.050](#)(A) shall be subject to a fee of one hundred dollars for the cost of the assessor's preparation of a valuation based on information available or obtained by the assessor for the taxable property as allowed under Section [4.12.030](#) (also referred to as "forced filing"). The taxpayer shall be notified of the fee as of the date of mailing of business property and personal property assessment notices.

B. A person or entity that knowingly makes a false affidavit to a business property or personal property return required by this section relative to the amount, location, kind or value of property subject to taxation with the intent to evade the taxation is guilty of a violation. Upon conviction, the violator shall be subject to penalty as provided in Section [1.12.010](#).

(Ord. [13-29](#) § 4 (part), 2013.)

#### **4.12.060 Report of property acquisition by owner.**

A. Every person, partnership, association, corporation or other entity who acquires ownership in or possession of any real property located within the city and borough or of the following types of personal property located within the city and borough: Boats, house trailers and similar structures not defined as real property under Section

[4.12.010](#)(A)(3), self-propelled mobile equipment not licensed under the provisions of the laws of the state of Alaska and movable construction or logging equipment of a value of more than five hundred dollars, is required to register such acquisition with the city and borough assessor on forms supplied for that purpose within fifteen days after such acquisition.

B. All persons, partnerships, associations, corporations, or other entities within the city and borough owning or possessing within the city and borough any trailers and similar structures not defined as real property under Section [4.12.010](#)(A)(3), boat or movable construction or logging equipment shall within fifteen days after the relocation within the city and borough or removal from the city and borough of the personal property, notify the assessor of the city and borough of the relocation or removal on forms supplied for that purpose.

C. Any person, partnership, association, corporation or other entity within the city and borough who violates any of the provisions of this section is guilty of a misdemeanor.

(Ord. [10-30](#) § 4 (part), 2010; B.C.S. § 3.20.060.)

#### **4.12.070 Assessment notice.**

A. Notice Mailed to Property Owners. The assessor shall give to every person named in the assessment roll

a notice of assessment. The assessment notice shall be directed to the person to whom it is to be given and shall be sufficiently given if it is mailed by first class mail addressed to, or is delivered at, his address as last known to the assessor, the notice may be addressed to the person at the post office nearest to the place where the property is situated. The date on which the notice is mailed or is delivered shall be deemed to be on the date on which the notice is given for the purposes of this chapter.

B. Notice Published in Newspaper, or Posted. When all valuation notices have been mailed, the assessor shall cause to be published in a newspaper of general circulation which is published in the city and borough at least once each week for two successive weeks a notice that the assessment rolls have been completed. In the event no newspaper of general circulation is published in the city and borough the assessor shall cause such notice to be posted at two public places for a period of two weeks. Such notice shall state when and where the equalization hearings shall be held.

C. Form of Notice. The notice shall show the assessed value of each tract assessed. On the back of each assessment notice shall be printed a brief summary for the information of the taxpayer, of the dates when the taxes are payable, delinquent, and subject to interest and penalty, dates when the board will sit for equalization purposes and any other particulars specified by the assembly.

D. Duty to Call Attention to Errors. It shall be the duty of every person receiving a notice of assessment to advise the assessor of any error or omission he may have observed in the assessment of his property in order that the assessor may correct the same.

(B.C.S. § 3.20.070.)

#### **4.12.080 Board of equalization.**

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A. Assembly to Sit as Board. The date on which the assembly shall sit as a board of equalization shall be the first Monday in May unless otherwise changed by resolution. The board shall adjourn over and continue its sessions as business requires.

B. Purpose, Duties and Powers.

1. The purpose of the board of equalization is to examine the assessment roll, to equalize and revise the assessment for the current year where the assembly considers it necessary, and to hear complaints and protests on the part of taxpayers or owners of property assessed;

2. The assembly sitting as the board has the power and the duty to raise or lower the valuation of any property, real or personal which they consider in any way in error and to add to the assessment list any and all parcels of real property and any and all tangible personal property they find has been omitted and to place a fair, just and correct valuation thereon and to assess it, and equalize the assessment. Assessment and equalization of the board has the same effect as though the property had been originally assessed by the assessor.

C. Duties and Powers of Board. The assembly sitting as a board of equalization shall have the full power, and it shall be the duty of the board:

1. To raise or lower the valuation of any property, real or personal, which may be by them deemed unequally or unfairly assessed or otherwise in error;

2. To add to the assessment list any and all parcels or real property and any and all tangible personal

property which they may find to have been unfairly omitted from such list:

- a. To place a fair, just and correct valuation thereon,
- b. To assess the same, and equalize such assessment.

Such assessment and equalization of the board shall have the same effect as though such property had been originally assessed by the duly appointed assessor.

D. Board to Send Additional Notices. If it appears to the board of equalization that there are overcharges or errors or invalidates in the assessment roll, or in any of the proceedings leading up to or after the preparation of the roll, and there is no appeal before the board, or if the name of a person is ordered by the board to be entered on the assessment roll, by way of addition or substitution, for the purpose of assessment, the board shall require the assessor to mail notice of assessment to that person or his agent giving him at least thirty days from the date of the mailing within which to appeal to the board against the assessment.

(B.C.S. § 3.20.080.)

#### **4.12.090 Assembly clerk ex officio clerk of board.**

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The clerk of the assembly shall be ex officio clerk of the board of equalization and shall record in the minutes of the meeting all proceedings before the board, the names of all persons protesting assessments, all changes, revisions, corrections and orders relating to claims or adjustments. Within three days following the final hearings of the board the clerk transmit to the assessor all corrections, revisions, or changes authorized and approved by the board and shall certify that the changes so reported are as approved by the board of equalization. (B.C.S. § 3.20.090.)

#### **4.12.100 Appeal to board of equalization.**

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A. Any person who receives notice or whose name appears on the assessment roll may appeal to the board with respect to any alleged error in the valuation, overcharge, omission or neglect of the assessor not adjusted to the taxpayer's satisfaction.

B. Filing of Appeal by Person Assessed. Notice of appeal, in writing, specifying the grounds for appeal, shall be filed with the board within thirty days after the date on which the assessor's notice of assessment was given to the person appealing, and the notice must be filed not later than five p.m. of the day prior to the day of any board of equalization hearing at which the appeal shall be heard; provided however, that the board, in what it deems unusual circumstances, by unanimous vote may waive this time provision. Such notice must contain a certification that a true copy thereof was mailed or delivered to the assessor. If notice of appeal is not given within that period, the right of appeal shall cease as to any matter within the jurisdiction of the board, unless it is shown to the satisfaction of the board that the taxpayer was unable to appeal within the time so limited. A copy of the notice of appeal must be sent to the assessor as above indicated.

C. Appeal Record. Upon receipt of the notice of appeal, the assessor shall make a record of the same in such form as the assembly may direct, which record shall contain all of the information shown on the assessment roll in respect to the subject matter of the appeal, and the assessor shall place the same before the board from time to time as may be required by the board.

D. Notice of Hearing. The board shall cause a notice of the sitting at which the appeal is to be heard to be mailed by the assessor to the person by whom the notice of appeal was given, and to every other person in

respect of whom the appeal is taken, to their respective addresses as last known to the assessor.

E. Hearing of Appeal. At the time appointed for the hearing of the appeal or as soon thereafter as the appeal may be heard, the board shall hear the appellant, the assessor, other parties to the appeal and their witnesses and consider the testimony and evidence adduced, and shall determine the matters in question on the merits and render its decision accordingly.

If any party to whom notice was mailed above set forth fails to appear the board may proceed with the hearing in his absence.

The burden of proof in all cases shall be upon the party appealing.

F. Entry of Decisions. The board shall from time to time enter in the appeal record its decision upon appeals brought before it and shall certify to the same.

G. Appeal to Court. An appellant or the assessor may appeal a determination of the board of equalization to the Superior Court as provided by Rules of Court applicable to appeals from the decisions of administrative agencies. Appeals are heard on the record established at the hearing before the board of equalization.

(Ord. [86-692](#) § 4, 1986; B.C.S. § 3.20.100.)

#### **4.12.110 Tax levy fixed by assembly.**

A. Determination of Rate and Levy of Tax. When the final assessment records are completed by the assessor, the assessor shall deliver to the assembly a statement of the total assessed valuation of all real and personal property in the city and borough. The assembly shall then fix the rate of tax levy and designate the number of mills upon each dollar of value of assessed taxable real and personal property that shall be levied and shall levy the tax accordingly. The rate of levy shall be fixed by resolution and the levy for school and municipal purposes shall be made and fixed separately, but the aggregate thereof may not exceed three percent of the assessed value of the property assessed.

B. Mailing Tax Statements—Billing Date. When the assembly has levied the tax, the finance director of the city and borough shall prepare tax statements to be mailed to the persons listed as the owners on the tax rolls, all of the tax statements shall be mailed on the same day. This day shall be known as the billing date. The finance director of the city and borough shall cause to be published in a newspaper having a general circulation within the city and borough, a notice that the tax statements have been mailed and the date upon which they are mailed as well as the date which has been determined to be the billing date.

C. Lien for Taxes. General taxes levied by the city and borough are a lien upon the property assessed, and the lien is prior and paramount to all other liens or encumbrances against the property assessed.

D. Taxes to Be Based on the Roll. All taxes levied or collected shall be calculated, levied and collected upon the assessed values entered in the assessment roll and certified by the assessor as correct, subject to the taxpayers' rights of appeal and to the corrections and amendments made in the rolls.

E. Validity of Assessment Rolls. An assessment roll as completed and certified by the assessor and as corrected and amended by him in conformity with the applicable provisions of this chapter and the decisions of the board is, except as amended as a result of an appeal to the court as provided by Section [4.12.100\(G\)](#) of this chapter, valid and binding on all persons, notwithstanding any defect, error, omission or invalidity in the assessment roll, or proceedings pertaining to the assessment roll.

(Ord. [13-29](#) § 4 (part), 2013; B.C.S. § 3.20.110.)

#### **4.12.120 Liability for taxes on personal property.**

The owner of personal property assessed is personally liable for the amount of taxes assessed against his personal property, and the tax, together with penalty and interest, may be collected when due in a personal action brought in the name of the city and borough against the owner. (B.C.S. § 3.20.120.)

#### **4.12.130 Due date.**

A. All property taxes become due sixty days after the billing date, unless that date falls on a Saturday, Sunday or holiday, in which case the taxes shall be due on the next business day. The date of payment shall be the date of actual receipt by the municipality or the postmark date, whichever is earlier.

B. Those taxes not paid by the due date are delinquent.

(Ord. [89-896](#) § 4(A), 1989.)

#### **4.12.150 Rates of penalty and interest—Priority for crediting payments.**

If the taxes are not paid when due and become delinquent, (a) a penalty of three percent of the total tax for the current year shall be added; (b) an additional penalty of seven percent shall be added to any tax more than thirty days delinquent; and (c) an additional penalty of five percent will be added to any tax amount remaining delinquent after sixty days. Interest at a rate of twelve percent per year shall be charged on all of the unpaid taxes, not including the penalties, from the due date until paid in full. All payments made for taxes, penalty and interest on any one piece of property shall be credited first to the penalty, then to the interest, then to the past due taxes, and then to the current taxes, in that order. (Ord. [07-22](#) § 4 (part), 2007; Ord. [99-1554](#) § 4, 1999; Ord. [97-1469](#) § 4, 1997.)

#### **4.12.160 Demand for payment of personal property taxes.**

Prior to December 31st of each year the finance director shall mail, postage fully prepaid, to all persons whose personal property taxes are delinquent demand for payment of the taxes plus penalty and interest. This shall be the date of mailing of the notice of tax due referred to in Section [4.12.180](#)(B)(1) and (2). (B.C.S. § 3.20.160.)

#### **4.12.170 Methods of collection.**

Personal property taxes together with the penalty and interest may be collected, after the same become due, either by distraint or in a personal action brought in the name of the city and borough against such owner in the courts of the state, or both such methods of collection may be used, in the discretion of the assembly. Neither of such methods shall be deemed exclusive remedies. (B.C.S. § 3.20.170.)

#### **4.12.180 Collection by distraint and sale.**

A. Persons Subject to Enforcement. If, at any time, a taxpayer is more than six months delinquent in any of the sales or personal property taxes levied by the city and borough or due the city and borough, he shall be subject to the enforcement procedures provided for herein, which are in addition to any other enforcement procedures already provided for and are not exclusive.

B. Distraint. The lien of personal property taxes and other nonreal taxes may be enforced by distraint and sale of the personal property of the person assessed. The procedure shall be as follows:

1. Demand shall be made of the person assessed by sending him a notice of the amount of the tax due, the penalty and interest and the total and notice to the effect that if the taxes and all penalty and interest are not paid by a date certain, which date shall be not less than thirty days from the date of mailing, that his personal property shall be subject to distraint and sale. The notice shall be sent by certified mail, return receipt requested or may be served in person with return of the person making service. The notice shall be signed by the finance director.
2. If no payment is made within the time specified or any extension agreed to in writing between the parties, the finance director shall issue a warrant directed to an enforcement officer of the city and borough to be designated by the municipal administrator, direct him to forthwith seize, levy upon, distraint, and sell by public auction such personal property of the person assessed as the tax may have been levied upon, and that if the same is not sufficient to satisfy the tax, penalty, interest, costs, and expenses of sale, such warrant may authorize the seizure, levy, distraint and sale of such other personal property of the person against whom the tax was assessed as may be sufficient to satisfy such tax, penalty, interest, costs and expenses of sale.
3. No sale of any property may be made without at least fifteen days' notice being given by publishing a notice of the sale at least two times in a newspaper of general circulation within the city and borough and by sending a copy of the notice by certified mail to the person assessed.
4. Sale. The sale of such property shall be made at public auction and such personal property shall be sold to the highest bidder for cash. All sales of personal property shall be made at a time of day to be fixed by the finance director in such notice, and the same shall be fixed between the hours of ten a.m. and five p.m. of the day of sale, and the sale may be adjourned by the finance director from day to day for want of purchasers or sufficient bids, or if for any valid reason the finance director is prevented from attending at the time and place set for the sale, the sale may be adjourned and continued from day to day if necessary until all of such personal property has been sold to pay the costs and expenses herein provided, and the tax, penalty and interest in full.
5. From the proceeds of the sale which shall convey all the right title and interest of the person assessed, shall be paid, in the following order, the actual expenses of sale, tax, penalty, interest, other costs including attorney's fees.
6. Schedule of Costs. The following shall be the schedule of costs and attorney's fees:
  - a. If redemption is made prior to sale:
    - i. Actual costs of seizing and preserving the property
    - ii. Actual costs of publication and giving notice
    - iii. Attorney's fees in the amount of twenty percent of the first one hundred dollars, but with a minimum of ten dollars, fifteen percent of the next five hundred dollars, and ten percent thereafter,
  - b. If no redemption is made and the property sold:
    - i. All the costs stated next above plus any actual accruing costs

- ii. Attorney's fees in addition to those stated of fifteen percent of the first one hundred dollars but with a minimum of ten dollars, five percent of the balance.

7. Any remaining sums shall be returned to the person assessed, or if not claimed within three years become the property of the city and borough.

8. Finance Director to Preserve Records. The finance director shall thereupon apply the proceeds of the sale in the manner hereinbefore set forth, and shall keep a record of all such sales and all such proceedings, and shall keep on file the returns of the finance director relating thereto, and in all cases of sale of personal property, he shall, if requested, give the purchaser a bill of sale on behalf of the city and borough under his hand and the seal of the city and borough.

(Ord. [86-693](#) § 4, 1986; B.C.S. § 3.20.180.)

#### **4.12.190 Taxes lien against property.**

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Whenever the tax on real property has not been paid when due, the assembly may enforce the lien of such tax by the sale of the property assessed. (B.C.S. § 3.20.190.)

#### **4.12.200 Action for collection of tax.**

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A. If the tax on real property is not paid when due, the assembly may enforce the lien of the tax by the sale of the property assessed, after foreclosure in the special proceeding provided for herein by order of the Superior Court.

B. If the tax on a leasehold interest in tax exempt property is not paid when due, the city and borough may enforce the tax by a personal action against the delinquent taxpayer brought in the magistrate or Superior Court, in addition to other remedies available to the city and borough to enforce the lien.

(B.C.S. § 3.20.200.)

#### **4.12.210 Real property tax collection.**

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A. The municipality shall enforce delinquent real property tax liens by annual foreclosure.

B. If the tax on property described in AS [29.45.070](#) or on a taxable interest in tax exempt property is not paid when due, the municipality 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 enforce the lien.

(Ord. [86-718](#) § 4 (part), 1986.)

#### **4.12.220 Foreclosure list.**

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A. The municipality shall:

1. Annually present a petition for judgment and a certified copy of the foreclosure list for the previous year's delinquent taxes in the superior court for judgment;

2. Publish the foreclosure list for four consecutive weeks in a newspaper of general circulation distributed in the municipality;

3. "Within ten days after the first publication or posting, mail to the last known owner of each property as the owner's name and address appear on the list a notice advising of the foreclosure proceeding in

which a petition for judgment of foreclosure has been filed and describing the property and the amount due as stated on the list.

B. The list shall be arranged in alphabetical order as to the last name and shall include:

1. The last known owner;
2. The property description as stated on the assessment roll;
3. Years and amounts of delinquency;
4. Penalty and interest due;
5. A statement that the list is available for public inspection at the clerk's office;
6. A statement that the list has been presented to the superior court with a petition for judgment and decree.

C. Completion of the requirements of subsection A of this section constitutes and has the same force and effect as the filing of an individual and separate complaint and service of summons to foreclose a lien against each property described on the foreclosure list.

(Ord. [86-718](#) § 4 (part), 1986.)

#### **4.12.230 Clearing delinquencies.**

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During the publication or posting of the foreclosure list and up to the time of transfer to the municipality a person may pay the taxes, together with the penalty, interest, and costs. The collector shall note payment on the foreclosure list. (Ord. [86-718](#) § 4 (part), 1986.)

#### **4.12.240 List to lienholder.**

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A holder of a mortgage or other lien on real property may request the clerk to send by certified mail notice of a foreclosure list that includes the real property. (Ord. [86-718](#) § 4 (part), 1986.)

#### **4.12.250 General foreclosure.**

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The municipality shall bring one general foreclosure proceeding in rem against the properties included in the foreclosure list. If the owner is unknown, the property is proceeded against as belonging to "unknown owner." (Ord. [86-718](#) § 4(part), 1986.)

#### **4.12.260 Answer and objection.**

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A person having an interest in a lot on the foreclosure list may file an answer within thirty days after the date of last publication, specifying the person's objection. The court shall make its decision in summary proceedings. The foreclosure list is prima facie evidence that the assessment and levy of the tax is valid and that the tax is unpaid. (Ord. [86-718](#) § 4 (part), 1986.)

#### **4.12.270 Judgment.**

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The court shall in a proper case give judgment and decree that the tax liens be foreclosed. It is a several judgment against each lot and a lien on each lot. (Ord. [86-718](#) § 4 (part), 1986.)



#### **4.12.280 Transfer and appeal.**

A. Foreclosed properties are transferred to the municipality for the lien amount. When answers are filed the court may enter judgment against and order the transfer to the municipality of all other properties on the list pending determination of the matters in controversy. The court shall hear and determine the issues raised by the complaint and answers in the same manner and under the same rules as it hears and determines other actions.

B. The court clerk shall deliver a certified copy of the judgment and decree to the municipal clerk. The certified judgment and decree constitutes a transfer to the municipality.

C. The judgment and decree stops objections to it that could have been presented before judgment and decree. Appeal from a judgment and decree of foreclosure, or from a final order in the proceeding, may be taken in the manner provided for appeals in civil actions.

(Ord. [86-718](#) § 4 (part), 1986.)

#### **4.12.290 Redemption period.**

Properties transferred to the municipality are held by the municipality for at least one year. During the redemption period a party having an interest in the property may redeem it by paying the lien amount plus penalties, interest, and costs, including all costs incurred under subsection A of Section [4.12.330](#). Property redeemed is subject to all accrued taxes, assessments, liens, and claims as though it had continued in private ownership. Only the amount applicable under the judgment and decree must be paid in order to redeem the property. (Ord. [86-718](#) § 4 (part), 1986.)

#### **4.12.300 Effect.**

Receipt of redemption money by the municipality releases the judgment obtained under Section [4.12.270](#). The clerk or the clerk's designee shall record the redemption and issue a certificate containing a property description, the redemption amount, and the dates of judgment and decree of foreclosure. The clerk or the clerk's designee shall collect the recording fee at the time of redemption and shall file the certificate with the record as part of the judgment roll. (Ord. [86-718](#) § 4 (part), 1986.)

#### **4.12.310 Additional liens.**

If a property included in a foreclosure list is removed after payment of delinquencies or redemption by another lienholder, the payment represented by receipt for payment constitutes an additional lien on the property, collectible by the lienholder in the same manner as the original lien. (Ord. [86-718](#) § 4 (part), 1986.)

#### **4.12.320 Possession during redemption period.**

Foreclosure does not affect the former owner's right to possession during the redemption period. If waste is committed by the former owner or by anyone acting under the permission or control of the former owner, the municipality may declare an immediate forfeiture of the right to possession. (Ord. [86-718](#) § 4 (part), 1986.)

#### **4.12.330 Expiration.**

A. At least thirty days before the expiration of the redemption period the clerk or the clerk's designee shall publish a redemption period expiration notice. The notice shall contain the date of judgment, the date of

expiration of the period of redemption, and a warning that all properties ordered sold under the judgment, unless redeemed, shall be deeded to the municipality immediately on expiration of the period of redemption and that every right or interest of a person in the properties will be forfeited forever to the municipality. The notice appears once a week for four consecutive weeks in a newspaper of general circulation distributed in the municipality. The clerk shall send a copy of the notice by certified mail to each record owner of property against which a judgment of foreclosure has been taken and, if the assessed value of the property is more than ten thousand dollars, to all holders of mortgages or other liens of record on the property. The notice shall be mailed within five days after the first publication. The mailing shall be sufficient if mailed to the property owner and to the holder of a mortgage or recorded lien at the last address of record.

B. The right of redemption expires thirty days after the date of the first notice publication.

C. Costs incurred in the determination of holders of mortgages and other liens of record and costs of notice publication incurred by the municipality under subsection A of this section are a lien on the property and may be recovered by the municipality.

(Ord. [86-718](#) § 4(part), 1986.)

#### **4.12.340 Deed to municipality.**

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A. Unredeemed property in the municipality is deeded to the municipality by the clerk of the court. The deed shall be recorded in the recording district in which the property is located.

B. Conveyance gives the municipality clear title, except for prior recorded tax liens of the United States and the state.

C. No deed is invalid for irregularities, omissions, or defects in the proceedings under this chapter unless the former owner has been misled so as to be injured. Two years after the date of the deed, its validity is conclusively presumed and a claim of the former owner or other person having an interest in the property is forever barred.

(Ord. No. [86-718](#) § 4 (part), 1986.)

#### **4.12.350 Disposition and sale of foreclosed property.**

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A. The municipality shall determine by ordinance whether foreclosed property deeded to the municipality shall be retained for a public purpose. The ordinance shall contain the legal description of the property, the address or a general description of the property sufficient to provide the public with notice of its location, and the name of the last record owner of the property as the name appears on the assessment rolls.

B. Tax-foreclosed property conveyed to a municipality by tax foreclosure and not required for a public purpose may be sold. Before the sale of tax-foreclosed property held for a public purpose, the municipality, by ordinance, shall determine that a public need does not exist. The ordinance shall contain the information required under subsection A of this section.

C. The clerk or the clerk's designee shall send a copy of the published notice of hearing of an ordinance to consider a determination required under subsections A or B of this section by certified mail to the former record owner of the property that is the subject of the ordinance. The notice shall be mailed within five days after its first publication and shall be sufficient if mailed to the last record owner of the property as the name appears on the assessment rolls of the municipality.

D. The provisions of subsection C of this section do not apply with respect to property that has been held by

the municipality for a period of more than ten years after the close of the redemption period.

(Ord. No. [86-718](#) § 4 (part), 1986.)

#### **4.12.360 Repurchase by record owner.**

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A. The record owner at the time of tax foreclosure of property acquired by a municipality, or the assigns of that record owner, may, within ten years and before the sale or contract of sale of the tax-foreclosed property by the municipality, repurchase the property. The municipality shall sell the property for the full amount applicable to the property under the judgment and decree, with interest not to exceed fifteen percent a year from the date of entry of the judgment of foreclosure to the date of repurchase, delinquent taxes assessed and levied as though it had continued in private ownership, and costs of foreclosure and sale.

B. After adoption of an ordinance providing for the retention of tax-foreclosed property by the municipality for a public purpose, the right of the former record owner to repurchase the property ceases.

(Ord. [86-718](#) § 4 (part), 1986.)

#### **4.12.370 Proceeds of tax sale.**

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If tax-foreclosed real property that has been held by the municipality for less than ten years after the close of the redemption period and never designated for a public purpose is sold at a tax-foreclosure sale, the former record owner is entitled to the portion of the proceeds of the sale that exceeds the amount of unpaid taxes, the amount equal to taxes that would have been assessed and levied after foreclosure if the property has continued in private ownership, penalty, interest, and costs to the municipality of foreclosing and selling the property. If the proceeds of the sale or tax-foreclosed property exceed the total of unpaid and delinquent taxes, penalty, interest, and costs, the municipality shall provide the former owner of the property written notice advising of the amount of the excess and the manner in which a claim for the balance of the proceeds may be submitted. Notice is sufficient under this section if mailed to the former record owner at the last address of record of the former record owner. On presentation of a proper claim, the municipality shall remit the excess to the former record owner. A claim for the excess filed after six months of the date of sale is forever barred.

(Ord. [86-718](#) § 4 (part), 1986.)

#### **4.12.410 Effect on purchase of irregularities, omissions or defects.**

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No purchase, subsequent to a judgment or decree foreclosing a tax lien or liens upon property, shall be invalidated or no deed shall be declared void or set aside for irregularities, omissions or defects, unless the record owner of the property sold actually has been misled by the irregularities, omissions or defects to his injury. (B.C.S. § 3.20.410.)

#### **4.12.420 Enforcement of special assessments.**

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The word "tax" as used in this chapter shall apply to special assessments for improvements as authorized by the city and borough and both such delinquent special assessments as well as delinquent general taxes may be included in the same delinquent tax roll and in the foreclosure list, but when so included shall be stated separately and the penalties and interest due on each shall also be stated separately. (B.C.S. § 3.20.420.)

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**The Sitka General Code is current through Ordinance 23-13,  
passed July 11, 2023.**

Disclaimer: The City and Borough Clerk's Office has the official version of the Sitka General Code. Users should contact the City and Borough Clerk's Office for ordinances passed subsequent to the ordinance cited above.

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