

CITY OF DILLINGHAM, ALASKA

ORDINANCE NO. 2008-02

AN ORDINANCE OF THE DILLINGHAM CITY COUNCIL AMENDING DMC 4.15.080, PERSONAL PROPERTY RETURNS, TO CHANGE FILING REQUIREMENTS OF PERSONAL PROPERTY TO TOTAL COMBINED VALUE IS GREATER THAN \$10,000, AND ADOPTING DMC 4.15.030(C) EXEMPTING RECREATIONAL SKIFFS AND ALL OUTBOARDS TO ACHIEVE A GOAL OF SIMPLIFIED ADMINISTRATION AND COLLECTION OF PERSONAL PROPERTY TAX, AND AMENDING DMC 4.15.040, BOATS AND VESSELS, AND ADOPTING DMC 4.15.080(C) TO FURTHER ADVANCE THE CITY'S GOAL BY MOVING FROM A VALUATION BASED ON REGISTERED OR NET TONNAGE TO AN ASSESSED VALUATION.

Section 1. Classification. This is a code ordinance.

Section 2. Amendment of section. DMC 4.15.080, Personal Property Returns, is amended to read as follows:

4.15.080 Personal Property Returns.

By January 31st of each year every person **with personal property whose total combined value is greater than \$10,000**, shall submit to the assessor a personal property return of any property owned ...values shall be computed on the average monthly value. **Commercial boats and vessels are not included in figuring whether the property owner has more than \$10,000 in personal property, but must be reported annually on the personal property assessment return.** [no other changes needed].

Section 3. Adoption of section. DMC 4.15.030(C) is adopted to read as follows:

C. Recreational boats and all outboard motors shall be exempted from personal property taxation. For purposes of this exemption "recreational boats" means watercraft used or capable of being used as a means of transportation on water and used exclusively for purposes other than commercial purposes and which are otherwise exempt from taxation under this section.

"Commercial purposes" means activities for which a person receives direct monetary compensation or activities for which a person receives no direct monetary compensation, but that are incidental to and done in furtherance of the person's business. The following boats are not exempt from personal property taxation under this section:

- 1. Boats used for commercial purposes;**
- 2. Boats required to display a "commercial operator" permit under state law or regulation;**

Bold and underline added. [CAPS AND BRACKETS, DELETED.]

3. Fishing vessels required to display a number plate by AS 16.05.520(A) or any successor state law or regulation;
4. Boats for which a commercial vessel license is required under state law;
5. Boats owned or operated by anytime during the preceeding calendar year for the purpose of the taking, fishing for, or possession of fish, shellfish, or other fishery resources with the intent of disposing of them for profit, or by sale, barter, trade, or in commercial channels regardless of whether the boat was actually used for this purpose;
6. Boats for which a vessel entry permit is required; and
7. Boats operated at any time during the preceding calendar year for hire.

Section 4. Amendment of section. DMC 4.15.040, Boats and Vessels, is amended to read as follows:

4.15.040 Boats and Vessels.

For the purposes of assessing, levying, and collecting taxes, boats and vessels **used for commercial purposes** shall be considered personal property and valuation shall be determined [ON THE BASES OF REGISTERED OR CERTIFIED NET TONAGE; RELATED GEAR SHALL ALSO BE CONSIDERED AS PERSONAL PROPERTY FOR ASSESSMENT PURPOSES] **on an assessed valuation prepared by the city assessor.**

Section 5. Adoption of section. DMC 4.15.080(C) is adopted to read as follows:

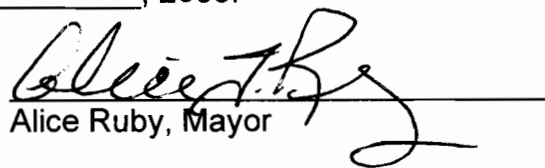
- C. Total combined value for the purpose of section 4.15.080 shall include all personal property except:
 1. commercial boats and vessels assessed on a valuation under 4.15.040; and
 2. personal property exempted from tax under 4.15.030.

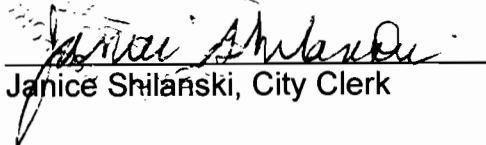
Section 6. Effective Date. This ordinance shall **be made effective with the March 28, 2008 valuations.**

ADOPTED by the Dillingham City Council on _____, 2008.

SEAL:

ATTEST:


Alice Ruby, Mayor


Janice Shilanski, City Clerk

Bold and underline added. [CAPS AND BRACKETS, DELETED.]