



CITY & BOROUGH OF WRANGELL PUBLIC HEARING AGENDA

**Tuesday, August 25, 2015
6:30 – 7:00 p.m.**

Location: Assembly Chambers, City Hall

1. Call to Order
2. Roll Call
3. Public Hearing Items:

The Borough Assembly will hold a public hearing, on **Tuesday, August 25, 2015 at 6:30 p.m., in the Borough Assembly Chambers** on the following ordinance:

- a) **PROPOSED ORDINANCE No. 905:** A NON-CODE ORDINANCE OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, ESTABLISHING DUE DATES FOR THE PAYMENT OF 2015 PROPERTY TAXES, AS A TRANSITIONAL MEASURE FOR IMPLEMENTATION OF ORDINANCE NO. 901, WHICH AMENDED THE PROPERTY TAX DUE DATES IN CHAPTER 5.04 OF THE WRANGELL MUNICIPAL CODE *(second reading)*

4. Written Testimony
5. Oral Testimony
6. Adjournment

Agenda Item 3a

CITY & BOROUGH OF WRANGELL

BOROUGH ASSEMBLY PUBLIC HEARING AGENDA ITEM August 25, 2015

INFORMATION:

PROPOSED ORDINANCE NO. 905: A NON-CODE ORDINANCE OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, ESTABLISHING DUE DATES FOR THE PAYMENT OF 2015 PROPERTY TAXES, AS A TRANSITIONAL MEASURE FOR IMPLEMENTATION OF ORDINANCE NO. 901, WHICH AMENDED THE PROPERTY TAX DUE DATES IN CHAPTER 5.04 OF THE WRANGELL MUNICIPAL CODE *(second reading)*

Attachments:

1. **Proposed Ordinance No. 905**
2. Previously adopted Ordinance No. 901

CITY AND BOROUGH OF WRANGELL, ALASKA

ORDINANCE NO. 905

A NON-CODE ORDINANCE OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, ESTABLISHING DUE DATES FOR THE PAYMENT OF 2015 PROPERTY TAXES, AS A TRANSITIONAL MEASURE FOR IMPLEMENTATION OF ORDINANCE NO. 901, WHICH AMENDED THE PROPERTY TAX DUE DATES IN CHAPTER 5.04 OF THE WRANGELL MUNICIPAL CODE

WHEREAS, the Assembly adopted Ordinance No. 901 on May 26, 2015; and

WHEREAS, Ordinance No. 901 amended Sections 5.04.350 and 360 of Chapter 5.04, Property Tax, of the Wrangell Municipal Code to change the due date for the payment of property taxes from a two payment date system, under which the taxpayer could choose to pay the taxes in two equal installments with due dates of August 15 and December 15 of the assessment year, to a new single payment system with one due date of September 15 of the assessment; and

WHEREAS, with the adoption of these code amendments, the due date for payment in full of 2015 property taxes is September 15, 2015; and

WHEREAS, numerous citizens have expressed concerns about the change from the two payment date system to a single payment date for the 2015 property taxes, stating that they need more lead time to plan for the single payment due on September 15, 2015; and

WHEREAS, the Assembly has considered these concerns and has determined that it is in the public interest to give taxpayers another year to plan for and adjust to the new single payment date system for property taxes; and

WHEREAS, this non-code ordinance is a transitional measure for implementation of the new single payment date system, and establishes due dates for the payment of 2015 property taxes, and corresponding penalty and interest provisions for late payments of 2015 property taxes;

NOW, THEREFORE, BE IT ORDAINED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA:

SEC. 1. Action. The purpose of this non-code ordinance is establish due dates for

the payment of 2015 property taxes, and corresponding penalty and interest provisions for late payments of 2015 property taxes.

SEC. 2. Transitional Measure. As a transitional measure for implementation of the amendments to Sections 5.04.350 and 5.04.360 of the Wrangell Municipal Code adopted by Ordinance No. 901 enacted on May 26, 2015, and notwithstanding Sections 5.04.350 and 5.04.360, the due dates for the payment of 2015 property taxes and corresponding penalty and interest provisions for late payments of 2015 property taxes are as follows:

A. Delinquent date for payment of 2015 property taxes.

All 2015 property taxes levied in accordance with Chapter 5.04 shall be due and payable on or before September 15, 2015 and shall become delinquent if not paid before 5:00 p.m. on said date, or, if payment is received through the mail after said date, when the mailed payment is postmarked after said date; provided, however, that the taxpayer shall have the right to pay 2015 property taxes in two equal installments. If the taxpayer pays the taxes in two installments, the first one-half installment shall be due and payable on or before September 15, 2015, the second one-half installment shall be due and payable on or before December 15, 2015, and shall become delinquent if not paid before 5:00 p.m. on said date, or, if payment is received through the mail after said date, when the mailed payment is postmarked after said date. Penalty and interest on an unpaid installment shall accrue from the date the installment becomes due.

B. Penalty and interest for late payments of 2015 property taxes.

In the event the 2015 property taxes are not paid on or before the due date, penalties and interest will accrue as follows:

(1) If the first one-half installment is not paid on or before September 15, 2015, a penalty of 10 percent, together with interest at the rate of 10 percent per year on the unpaid installment, not including penalty, from due date until paid in full, shall be added thereto.

(2) After the December 15, 2015 due date for the payment of the second one-half installment, a total penalty of not to exceed 10 percent shall be added to all delinquent taxes, and interest at the rate of 10 percent per year shall accrue upon all unpaid taxes, not including penalty, from due date until paid in full.

SEC. 3. Term of Transitional Measure. The transitional measure provided for in Section 2 of this ordinance shall apply only to payment of 2015 property taxes (the payment of property taxes for the 2015 assessment year). Beginning with the 2016 assessment year, all property taxes shall be due and payable as provided in Sections 5.04.350 and 5.04.360 of the Wrangell Municipal Code, as those sections were amended by Ordinance No. 901 enacted on May 26, 2015.

SEC. 4. Classification. This ordinance is a non-code ordinance.

SEC. 5. Severability. If any portion of this ordinance or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

SEC. 6. Effective Date. This ordinance shall be effective upon adoption.

PASSED IN FIRST READING: August 12 , 2015.

PASSED IN SECOND READING: _____ , 2015.

David L. Jack, Mayor

ATTEST:

Kim Lane, MMC, Borough Clerk

CITY AND BOROUGH OF WRANGELL, ALASKA

ORDINANCE NO. 901

AN ORDINANCE OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING SECTIONS 5.04.350 AND 5.04.360 OF CHAPTER 5.04, PROPERTY TAX, OF THE WRANGELL MUNICIPAL CODE TO AMEND THE DUE DATE FOR PAYMENT OF PROPERTY TAXES AND THE PENALTY AND INTEREST FOR LATE PAYMENTS OF PROPERTY TAXES

BE IT ORDAINED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA:

[The changes to the existing code are shown as follows: the words that are underlined are to be added and the words that are **[bolded and in brackets are to be deleted]**.]

SEC. 1. Action. The purpose of this ordinance is to amend Sections 5.04.350 and 5.04.360 of the Wrangell Municipal Code relating to the delinquent date for payment of property taxes and the penalty and interest for late payments of property taxes.

SEC. 2. Amendments. Sections 5.04.350 and 5.04.360 of the Wrangell Municipal Code are amended to read:

5.04.350 Delinquent date for payment of taxes.

All taxes levied in accordance with this chapter shall be due and payable on or before September 15**[August 15th]** of the assessment year and shall become delinquent if not paid before 5:00 p.m. on said date, or, if payment is received through the mail after said date, when the mailed payment is postmarked after said date **[; provided, however, that the taxpayer shall have the right to pay such taxes in two equal installments. If the taxpayer pays the taxes in two installments, the first one-half installment shall be due and payable on or before August 15th, the second one-half installment shall be due and payable on or before December 15th of the same year and shall become delinquent if not paid before 5:00 p.m. on said date, or, if payment is received through the mail after said date, when the mailed payment is postmarked after said date. Penalty and interest on an unpaid installment shall accrue from the date the installment becomes due]**.

Section 5.04.360 Penalty and interest for late payments.

When the general tax provided for in this chapter is not paid on or before the due date, penalties and interest will accrue as follows:

A. A penalty of 10 percent of the unpaid taxes shall be added thereto immediately upon delinquency. [If the first one-half installment is not paid when due, a penalty of 10 percent, together with interest at the rate of eight percent per year on the unpaid installment, not including penalty, from due date until paid in full, shall be added thereto.]

B. Interest at an annual rate of 10 percent shall accrue upon all unpaid taxes, not including penalty, from the due date until paid in full. When interest is applied, it shall be calculated and accrue on a daily basis. [After the due date for the payment of the second one-half installment, a total penalty of not to exceed 10 percent shall be added to all delinquent taxes, and interest at the rate of eight percent per year shall accrue, as provided in this section, upon all unpaid taxes, not including the penalty, from due date until paid in full.]

SEC. 3. Classification. This ordinance is of a permanent nature and shall be codified in the Wrangell Municipal Code.

SEC. 4. Severability. If any portion of this ordinance or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

SEC. 5. Effective Date. This ordinance shall be effective upon adoption.


PASSED IN FIRST READING: May 12, 2015.

PASSED IN SECOND READING: May 26, 2015.



David L. Jack, Mayor

ATTEST:



Kim Lane, Borough Clerk

