

May 22, 2020



Your 2020 Property Taxes

Homeowners have just received property tax bills which were mailed out on 15th May, 2020. The good news is that you have a little bit longer to pay them. The Municipality of Anchorage passed an Ordinance on April 14, 2020 to ease the pain on property owners because of the Covid-19 pandemic.

While the first half of property taxes are normally due on June 15 and the second half on August 15, both of these due dates have been pushed back 30 days, to July 15 and September 15 respectively. If you have difficulty paying your property taxes there is, unfortunately, no ordinance for that at the present time. You do have a 7 day grace period for payments but, after that, you will incur a penalty plus interest on a daily basis until your taxes are brought current.

As far as assessed values are concerned many people ask me if they are high or low. The Municipality tries really

hard, with very limited staff, to accurately designate the value of your home. Sometimes it is high and sometimes, to your advantage, it is low.

The problem is not just limited staff but the availability of data. Alaska is a "Privacy" State and that is why the Deed recorded when you buy a home is said to be for "Ten dollars and other good and valuable consideration". The only way the Municipality can obtain information on how much you or your neighbors paid for their homes is by asking new homeowners to provide that private information.

Unless you purchase a home for less than the current Municipal assessment, it is advisable not to answer the subsequent Muni letter asking how much you paid for it. Although the letter arrives on official letterhead you actually have no legal obligation to inform the City of your private real estate transaction.

MLS also keeps sales data confidential to its members so

that is also inaccessible to the Municipality. There is an argument for the data being public in that the result would be a fairer distribution of total property tax collectible by the City between all property owners since it is supposed to be calculated on each property's current market value.

It is likely that assessed values will fall somewhat in 2021 as the real estate market receives some negative influence from the economic fallout of the pandemic.

Dave

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