

CITY OF HOMER  
HOMER, ALASKA

Mayor

ORDINANCE 21-62(S)(A)

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA  
AMENDING HOMER CITY CODE TITLE 9 TAXATION-GENERALLY TO  
ENACT SECTION 9.04.044 ANNUAL TAX LEVY-REGISTERED  
AIRCRAFT TO PROVIDE FOR A FLAT TAX ON AIRCRAFT.

WHEREAS, Homer City Code Chapter (HCC) 9.04 currently provides that all personal property within the corporate limits of the City is subject to an annual ad valorem tax, and HCC 9.04.046 exempts the first \$100,000 of assessed valuation of personal property from the ad valorem tax; and

WHEREAS, Motor vehicles and watercraft are currently taxed according to flat tax schedules, which have proven to be more simple to administer than an ad valorem tax; and

WHEREAS, The Municipality of Anchorage **and Kenai Peninsula Borough** currently imposes a flat tax on aircraft, which provides a more favorable tax status for more valuable aircraft than does the City; and

WHEREAS, Imposing a flat tax on aircraft situated within the City is authorized by Alaska Statute 29.45.055.

NOW, THEREFORE, BE IT ORDAINED:

Section 1. That HCC Section 9.04.044 is hereby enacted to read as follows:

**9.04.044. Personal property tax-Assessments-Aircraft-Appeal.**

**a. For purposes of taxation, aircraft that have been issued an N number by the Federal Aviation Administration ("FAA") by January 1 of the tax year shall be totally exempted from ad valorem taxes and shall be taxed in accordance with the following flat tax schedule:**

<b>AIRCRAFT FLAT TAX SCHEDULE BASED ON (MGWIL)</b>					
<b>Manufacturers Gross Weight with an Internal Load</b>					
<b>Fixed Wing</b>			<b>Rotorcraft/Rotary Wing</b>		
<b>Class</b>	<b>Weight</b>	<b>Annual Tax</b>	<b>Class</b>	<b>Weight</b>	<b>Annual Tax</b>
<b>1</b>	<b>Less than 2,000 lbs</b>	<b>\$50</b>	<b>1</b>	<b>Less than 1,500 lbs</b>	<b>\$100</b>
<b>2</b>	<b>2,000 to less than 4,000 lbs</b>	<b>\$100</b>	<b>2</b>	<b>1,500 to less than 3,500</b>	<b>\$600</b>

<b>3</b>	<b>4,000 to less than 6,000 lbs</b>	<b>\$300</b>	<b>3</b>	<b>3,500 to more in weight</b>	<b>\$1,000</b>
<b>4</b>	<b>6,000 to less than 12,500 lbs</b>	<b>\$600</b>			
<b>5</b>	<b>12,500 or more in weight</b>	<b>\$1,000</b>			

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**b. The owner of record of an aircraft that has been dismantled, destroyed or crashed and the FAA N number has been retained by the aircraft's owner of record may submit to the assessor on an approved form "Aircraft Statement of Condition" that would allow for ad valorem taxation of that aircraft if approved. Aircraft for which such registration or licensing has lapsed or that has not passed the annual inspection required by the FAA shall not qualify on this basis alone for ad valorem taxation unless it has been dismantled, destroyed or crashed.**

**c. Definitions. For purposes of this section: "Aircraft" means any engine powered contrivance invented, used, or designed to navigate, or fly in, the air and that is capable of being manned and is required by the FAA to be registered and certified in order to be manned. "Aircraft engine" means an engine used, or intended to be used, to propel an aircraft, except the tail rotor of a helicopter. "Crashed" means aircraft for which only parts remain that, due to their condition, can no longer be assembled to create any contrivable aircraft. This shall be evidenced by an FAA accident report and/or copy of an insurance claim that determines the aircraft to be a total loss. "Destroyed" means aircraft that have been damaged by age, weather, neglect and/or external influences outside the owner's control, and only unusable parts remain that, due to their condition can no longer be assembled to create any contrivable aircraft. This shall be evidenced by photographs and a physical inspection by the Homer Kenai Peninsula Borough Assessing staff appraiser if deemed necessary by the borough assessor. "Dismantled" means aircraft that have been voluntarily disassembled and only parts remain that can no longer be assembled to create any contrivable aircraft. Evidence such as photographs and a physical inspection by the Homer Kenai Peninsula Borough Assessing staff appraiser shall be provided or allowed if deemed necessary by the borough assessor. ~~"Scheduled airline. A "scheduled airline" is any individual, partnership, corporation or association: (1) Engaged in air transportation under regular schedules to, over, away from, or within the U.S.; and (2) Holding a Foreign Air Carrier Permit or a Certificate of Public Convenience and Necessity, issued by the Department of Transportation pursuant to 14 CFR Parts 201 and 213.~~**

**d. An aircraft owner may appeal the determination of the borough assessor under this section using the procedures set out in Kenai Peninsula Borough Code 5.12.050-060**

Section 2. That this ordinance is of a permanent and general character and shall be included in the City Code.

76 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this 25<sup>th</sup> day of October, 2021.

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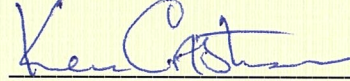
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CITY OF HOMER

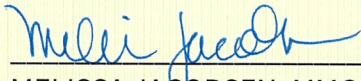


KEN CASTNER, MAYOR

83 ATTEST:

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86 MELISSA JACOBSEN, MMC, CITY CLERK

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88 YES: 5

89 NO: 0

90 ABSTAIN: 0

91 ABSENT: 1

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93 First Reading: 10-11-21

94 Public Hearing: 10-25-21

95 Second Reading: 10-25-21

96 Effective Date: 10-26-21

