

Introduced by: Council Member
Hoffman
Introduction Date: September 22, 2009
Public hearing date: October 27, 2009
November 10, 2009
January 12, 2010
February 9, 2010
Action: Failed
Vote: 1-6

CITY OF BETHEL, ALASKA

ORDINANCE #09-39

AN ORDINANCE BY THE BETHEL CITY COUNCIL ALLOWING FOR THE ABATEMENT OF TAXES AND PENALTIES AND INTEREST RELATED TO TAXES

WHEREAS, the City of Bethel needs a method by which to collect as much of the delinquent taxes owed to the City as possible, and the current language in the Bethel Municipal Code does not allow any flexibility;

WHEREAS, in some circumstances it would be in the best interest of the City to negotiate the abatement of tax, penalties and interest and collect a portion of the taxes owed in the absence of being able to collect the amounts owed in full;

WHEREAS, the abatement of taxes and/or interest and/or penalties related to delinquent taxes should not become the precedent for all collection issues.

BE IT ORDAINED, by the City Council of Bethel, Alaska; that:

Section 1. Classification. This ordinance is permanent and general in nature and shall be placed in the Bethel Municipal Code.

SECTION 2. Amendment. Section 4.16.145 of the Code is hereby added to read as follows (new language is underlined and deleted language is stricken out):

4.16.145 Abatement of Tax

Tax may be abated by majority vote of city council.

SECTION 3. Amendment. Section 4.16.140 of the Code is hereby amended to read as follows (new language is underlined and deleted language is stricken out):

4.16.140 Interest for Delinquency

Interest shall accrue on the principal amount of the delinquent tax and other costs and charges, but not on penalties, at the rate of fifteen (15) percent per annum from the date of the delinquency until paid. Interest shall be assessed and collected in the same manner as the sales tax is assessed and collected. The date of delinquency for the payment of costs and charges is the thirtieth (30th) day following the date of the notice of the amount of the cost or charge due. Interest due on delinquent taxes, costs or charges may ~~not be waived abated or forgiven except to the extent the underlying principal amount has been determined not to have been due at the discretion of the city manager, not to exceed \$5,000. Any request for abatement of interest in excess of \$5,000 shall be approved by majority vote of city council.~~ not be waived abated or forgiven except to the extent the underlying principal amount has been determined not to have been due at the discretion of the city manager, not to exceed \$5,000. Any request for abatement of interest in excess of \$5,000 shall be approved by majority vote of city council. [Ord. 98-27 § 2.]

SECTION 4. Amendment. Section 4.16.180 (F) of the Code is hereby amended to read as follows (new language is underlined and deleted language is stricken out):

4.16.180 (F) Penalties

F. A penalty imposed under this chapter may ~~not be waived abated or reduced except upon a clear showing of reasons beyond the control of the person upon whom the penalty is imposed or a similar strong justification and approval by the city manager of the waiver or reduction.~~ The city manager is authorized to approve the abatement of penalties not to exceed \$5,000. Any request for abatement of interest in excess of \$5,000 shall be approved by majority vote of city council. [Ord. 06-17 § 2; Ord. 04-27 § 2; Ord. 98-27 § 2.]

Section 5. Effective Date. This ordinance shall become effective immediately upon passage.

ENACTED THIS _ DAY OF FEBRUARY 2010 BY A VOTE OF _ IN FAVOR AND _ OPPOSED.

Joseph Klejka, Mayor

ATTEST:

Lori Strickler, City Clerk