

MEMORANDUM OFFICE OF THE ASSESSOR

155 S Seward Street
Juneau, AK 99801
Phone: (907) 586-5220
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E-Mail: Robin_Potter@juneau.org

Date: March 3, 2017

To: Mayor and Assembly

From: Robin Potter, Assessor

RE: Economic Development – Export Manufacturing Exemption

The Assessor's Office received the following 2017 Export Manufacturing Exemption Applications for business personal property used in manufacturing. The Assembly must approve any export manufacturing exemption for real or business personal property, CBJ 69.10.020(1)(c).

The property owners listed below have had Assembly approval in the past. It is recommended that their new applications be approved.

2017	AK GLACIER SEAFOOD INC	AKBEV GROUP LLC	SASS CO INC TAKU SMOKERIES
Total Assessed Value	3,610,009	10,800,675	636,490
Mandatory Exempt Amount	100,000	100,000	100,000
Taxable Value	3,510,009	10,700,675	536,490
Tax Amount @ FY17 Estimated Mill Rate (10.66)	37,417	114,069	5,719
Prior Years Export Mfg Exempt Value	509,865	2,971,937	89,542
New Export Mfg Exempt Value	1,075,939	897,398	-
Total Export Mfg Exempt Value	1,585,804	3,869,335	89,542
Taxable Value Before Mandatory Exemption Value	2,024,205	6,931,340	546,948
Mandatory Exempt Value	100,000	100,000	100,000
Total Taxable Value after both exemptions	1,924,205	6,831,340	446,948
Total Amount Paid@ FY17 Estimated Mill Rate (10.66)	20,512	72,822	4,764
Total Prior Years Export Mfg Tax Exempt	5,486	31,681	955
Total New Export Mfg Tax Exempt	11,577	9,566	-
Total Tax to be Exempted	17,063	41,247	955

Attached are copies of their applications.

A. Export Manufacturing

CBJ 69.10.020(10) provides for exempting qualifying manufacturing property from assessment and taxation. Qualifying property may receive a declining five-year percentage exemption from the property's market value as follows:

- 100% exemption in year 1
- 80% exemption in year 2
- 60% exemption in year 3
- 40% exemption in year 4
- 20% exemption in year 5

Property owners seeking an exemption must file a request with the Assessor's Office on or before January 31 of each year. The code places the authority for approving the manufacturing exemption requests with the Assembly.

The Assessor's Office has received three property manufacturing exemption requests for the 2017 tax year (FY18 budget year).

1. Alaska Glacier Seafood's, Inc. filed a manufacturing exemption for machinery, equipment totaling \$1,075,939 (\$11,577 in property tax).

In addition, Alaska Glacier Seafood's has \$509,865 in property qualifying from prior years, for a total 2017 assessment exemption of \$1,585,804 or (\$17,063 in property taxes).

The Assessor's Office has determined that the property requested for exemption meets the code requirements and recommends approval of this exemption request.

2. Taku Smokerries didn't file a manufacturing exemption for machinery, equipment in the 2017 tax year

In addition, Taku Smokerries has \$89,542 in property qualifying from prior years, for a total 2017 assessment exemption of \$89,542 (\$955 in property taxes).


The Assessor's Office has determined that the property requested for exemption meets the code requirements and recommends approval of this exemption request.

3. Alaskan Brewing Company, LLC filed a manufacturing exemption for machinery, equipment, furniture and fixtures, computers and software, and vehicles totaling \$897,398 (\$9,566 in property tax).

In addition, Alaskan Brewing has \$2,971,937 in property qualifying from prior years, for a total 2017 assessment exemption of \$3,869,335 (\$41,247 in property taxes).

The Assessor's Office has determined that the property requested for exemption meets the code requirements and recommends approval of this exemption request.

I recommend approval of these exemption requests.


Robin Potter
Assessor

3/3/2017
Date




Office of the Assessor
155 S Seward Street
Juneau AK 99801

RECEIVED
JAN 31 2017
CBJ - Assessor's Office

Export Manufacturing Exemption Application

Assessment Year	<input checked="" type="checkbox"/> 2017 <input type="checkbox"/> Other _____
Organization Name	Alaska Glacier Seafoods, Inc.
BPP Account #	598111
Parcel ID #	
Name of Applicant	Kristie Erickson
Email Address	kristie@alaskaglacierseafoods.com

In Accordance with CBJ 69.10.020(10) certain Real Property and Business Personal Property may be partially exempt when used in a manufacturing business. Application for this exemption must be submitted to the municipal assessor before January 31 of the applicable tax year.

Primary Phone #	907-790-3592	Secondary Phone #	907-790-3590
Mailing Address	Box 34363 Juneau, AK 99803	Property Address	13555 Glacier Highway Juneau, AK 99803
Type of Business	Seafood Processing		
Sales Tax Account Number	212728		
Has this property ever been taxed in the CBJ?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Is this property used in a trade or business having fewer than 500 annual full-time equivalent employees?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No How Many? 100		
Does this business create employment within the CBJ?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Explain:	Yes, we employ approx. 50 year around employees and hire another 100-150 to seasonally process fish within CBJ.		
Does this business generate sales outside the CBJ of goods produced within the CBJ?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Explain:	Yes, we buy and process locally caught fish within the CBJ. We export approximately 96% of it out of CBJ.		
What percent of total production is exported outside the CBJ?	96 %		
Does this business reduce the importation of goods from outside the CBJ?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Explain:	Yes, we sell to many local restaurants, grocery stores and other companies here in Juneau. Our high quality, locally caught and processed seafood helps these companies succeed, reducing (and in some cases eliminating) the need to purchase fish outside of Juneau.		
Has this property been used in the same trade or business in another municipality within the past 6 months?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
List detail of real or personal property and the total market value which you are seeking to be exempted. (use attachment if necessary)	Total market value to be exempted: \$ All Applicable Taxes		
Certification: I hereby certify that the answers given on this application are true and correct to the best of my knowledge. I understand that a willful misstatement is punishable by a fine or imprisonment under AS 11.56.210.			
Signature and Title of Applicant:		Date:	
 Kristie Erickson, Business Manager		1/31/2017	
Assessor Approval [] Yes [] No Date: _____ Comments:			

Contact Us: CBJ Assessor's Office

Phone:

Phone # (907) 586-0333

Fax # (907) 586-4520

Email:

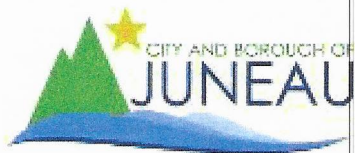
Assessor_Office@juneau.org

Website:

http://www.juneau.org/finance

Physical Location

155 South Seward St Rm. 114
Juneau AK 99801



Office of the Assessor
155 S Seward Street
Juneau AK 99801

Export Manufacturing Exemption Application	
Assessment Year	<input checked="" type="checkbox"/> 2017 <input type="checkbox"/> Other <input type="text"/>
Organization Name	AKBEV GROUP, LLC
BPP Account #	521150
Parcel ID #	
Name of Applicant	Alaskan Brewing Co.
Email Address	accounting@alaskanbeer.com

In Accordance with CBJ 69.10.020(10) certain Real Property and Business Personal Property may be partially exempt when used in a manufacturing business. Application for this exemption must be submitted to the municipal assessor before January 31 of the applicable tax year.

Primary Phone #	(907) 780-5866	Secondary Phone #	
Mailing Address	5429 Shaune Drive Juneau, AK 99801	Property Address	5429 Shaune Drive Juneau, AK 99801
Type of Business	Brewery		
Sales Tax Account Number	890508		
Has this property ever been taxed in the CBJ?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Is this property used in a trade or business having fewer than 500 annual full-time equivalent employees?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No How Many? <input type="text" value="117"/>		
Does this business create employment within the CBJ?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Explain:	We currently employ 89 full-time positions located in Juneau year-round, with an additional 25-30 seasonal positions filled in Juneau each year.		
Does this business generate sales outside the CBJ of goods produced within the CBJ?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Explain:	We sell our products in 17 states in the lower 48, as well as throughout AK.		
What percent of total production is exported outside the CBJ?	<input type="text" value="95"/> %		
Does this business reduce the importation of goods from outside the CBJ?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Explain:	Our locally manufactured products are sold in nearly every bar & liquor store in Juneau, and in our brewery gift shop.		
Has this property been used in the same trade or business in another municipality within the past 6 months?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
List detail of real or personal property and the total market value which you are seeking to be exempted. (use attachment if necessary)	Total market value to be exempted: \$ <input type="text" value="4,759,128.82"/>		
Certification:	I hereby certify that the answers given on this application are true and correct to the best of my knowledge. I understand that a willful misstatement is punishable by a fine or imprisonment under AS 11.56.210.		
Signature and Title of Applicant:	Date: <input type="text" value="1/31/17"/>		
Assessor Approval [<input type="checkbox"/>] Yes [<input type="checkbox"/>] No Date: _____ Comments: _____			

Contact Us: CBJ Assessor's Office			
Phone:	Email:	Website:	Physical Location
Phone # (907) 586-0333 Fax # (907) 586-4520	Assessor_Office@juneau.org	http://www.juneau.org/finance	155 South Seward St Rm. 114 Juneau AK 99801