A request for exemption from property taxes must be received by March 15 of the applicable tax year. The property must be in use as of January 1 of the tax year in order to obtain an exemption for that year. Exemptions are not prorated and are granted based on two critical criteria; not for profit ownership and exclusive use of the property for an exempt purpose. Typically vacant land is not exempt.

The property owner is responsible for proving that the property is used exclusively for an exempt purpose.

AS 29.45.030. Required Exemptions: (a) The following property is exempt from general taxation: (3) property used exclusively for nonprofit religious, charitable, cemetery, hospital, or educational purposes;

AS 29.45.050. Optional Exemptions and exclusions: (a) (A) the property of an organization not organized for business or profit making purposes and used exclusively for community purposes if the income derived from rental of that property does not exceed the actual cost to the owner of the use by the renter.