



# LAWS OF ALASKA

2006

**Source**  
SCS HB 217(FIN)

**Chapter No.**  
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## AN ACT

Relating to the determination of full and true value of taxable municipal property for purposes of providing planning assistance to the Department of Education and Early Development and the legislature, calculating funding for education, calculating school district participating shares for school construction grants, and calculating tax resource equalization payments and excluding from that determination the value of property in certain areas detached from a municipality and the value of certain property involved with oil and gas that is not taxed by a municipality.

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**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

THE ACT FOLLOWS ON PAGE 1



**AN ACT**

1 Relating to the determination of full and true value of taxable municipal property for purposes  
2 of providing planning assistance to the Department of Education and Early Development and  
3 the legislature, calculating funding for education, calculating school district participating  
4 shares for school construction grants, and calculating tax resource equalization payments and  
5 excluding from that determination the value of property in certain areas detached from a  
6 municipality and the value of certain property involved with oil and gas that is not taxed by a  
7 municipality.

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9 \* **Section 1.** AS 14.17.510(a) is amended to read:

10 (a) To determine the amount of required local contribution under  
11 AS 14.17.410(b)(2) and to aid the department and the legislature in planning, the  
12 Department of Commerce, Community, and Economic Development, in consultation  
13 with the assessor for each district in a city or borough, shall determine the full and true

1 value of the taxable real and personal property in each district in a city or borough. If  
2 there is no local assessor or current local assessment for a city or borough school  
3 district, then the Department of Commerce, Community, and Economic Development  
4 shall make the determination of full and true value [FROM INFORMATION  
5 AVAILABLE. IN MAKING THE DETERMINATION, THE DEPARTMENT OF  
6 COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT SHALL BE]  
7 guided by AS 29.45.110 **and based on a determination of full and true value made**  
8 **by the state assessor at least every two years using the best information available,**  
9 **including on-site inspections made by the state assessor in each of those districts**  
10 **at least once every four years. For purposes of this subsection, the full and true**  
11 **value of taxable real and personal property in any area detached shall be**  
12 **excluded from the determination of the full and true value of the municipality**  
13 **from which the property was detached for the two years immediately preceding**  
14 **the effective date of the detachment. Also, in making the determination for a**  
15 **municipality that is a school district, or for a city that is within a borough school**  
16 **district, the assessed value of property taxable under AS 43.56 shall be excluded**  
17 **if a tax is not levied under AS 29.45.080 by the municipality that is the school**  
18 **district.** The determination of full and true value shall be made by October 1 and sent  
19 by certified mail, return receipt requested, on or before that date to the president of the  
20 school board in each city or borough school district. Duplicate copies shall be sent to  
21 the commissioner. The governing body of a city or borough that is a school district  
22 may obtain judicial review of the determination. The superior court may modify the  
23 determination of the Department of Commerce, Community, and Economic  
24 Development only upon a finding of abuse of discretion or upon a finding that there is  
25 no substantial evidence to support the determination.