

SENATE BILL NO. 179

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-THIRD LEGISLATURE - SECOND SESSION

BY SENATORS BJORKMAN, Gray-Jackson

Introduced: 1/16/24

Referred: Community and Regional Affairs

A BILL

FOR AN ACT ENTITLED

1 **"An Act prohibiting municipalities from levying a tax on the transfer of real property;**
2 **prohibiting the state from levying a tax on the transfer of real property; and relating to**
3 **municipal taxation of mobile telecommunications services."**

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

5 * **Section 1.** AS 29.10.200(56) is amended to read:

6 (56) AS 29.45.650(c), (d), (e), (f), (i), (j), [AND] (k), **and (l)** (sales and
7 use tax);

8 * **Sec. 2.** AS 29.10.200(57) is amended to read:

9 (57) AS 29.45.700(d), (e), [AND] (g), **and (h)** (sales and use tax);

10 * **Sec. 3.** AS 29.45.650(a) is amended to read:

11 (a) Except as provided in AS 04.21.010(c), AS 29.45.750, and in (f), (h), (i),
12 [AND] (j), **(k), and (l)** of this section, a borough may levy and collect a sales tax on
13 sales, rents, and [ON] services provided in the borough. The sales tax may apply to
14 any or all of these sources. Notwithstanding other statutes, exemptions may be granted

1 by ordinance. A borough may wholly or partially exempt a source from a borough
2 sales tax that is taxed by a city in that borough under AS 29.45.700.

3 * **Sec. 4.** AS 29.45.650 is amended by adding a new subsection to read:

4 (l) A borough may not levy or collect a sales or use tax on the transfer of real
5 property. This subsection applies to home rule and general law municipalities.

6 * **Sec. 5.** AS 29.45.700(a) is amended to read:

7 (a) A city in a borough that levies and collects areawide sales and use taxes
8 may levy sales and use taxes on all sources taxed by the borough in the manner
9 provided for boroughs. Except as provided in (d), [AND] (e), (g), and (h) of this
10 section, the assembly may by ordinance authorize a city to levy and collect sales and
11 use taxes on other sources.

12 * **Sec. 6.** AS 29.45.700 is amended by adding a new subsection to read:

13 (h) A city may not levy or collect a sales or use tax on the transfer of real
14 property. This subsection applies to home rule and general law municipalities.

15 * **Sec. 7.** AS 43.98 is amended by adding a new section to article 3 to read:

16 **Sec. 43.98.035. No tax on real property transfers.** The state may not levy or
17 collect a sales or use tax on the transfer of real property.

18 * **Sec. 8.** Section 4, ch. 100, SLA 2002, as repealed and reenacted by sec. 9, ch. 117, SLA
19 2003, and by sec. 2, ch. 30, SLA 2005; and secs. 6 and 9, ch. 100, SLA 2002, are repealed.