

SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 13
IN THE LEGISLATURE OF THE STATE OF ALASKA
THIRTY-FOURTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVE GRAY

Introduced: 3/10/25

Referred: Community and Regional Affairs, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to optional municipal property tax exemptions for certain long-term**
2 **rental units, certain mobile home parks, real property rented to low-income families,**
3 **real property owned and occupied as a permanent place of abode, and real property**
4 **owned by first-time homebuyers."**

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

6 *** Section 1.** AS 29.45.050 is amended by adding new subsections to read:

7 (aa) A municipality may by ordinance exempt or partially exempt from
8 taxation a structure that contains a dwelling unit that was converted from use as a
9 short-term rental unit to exclusive use as a long-term rental unit. In this subsection,

10 (1) "dwelling unit" has the meaning given in AS 34.03.360;

11 (2) "long-term rental unit" means a dwelling unit offered for rent for
12 periods of not less than 90 consecutive days;

13 (3) "short-term rental unit" means a dwelling unit offered for rent for
14 periods of 30 consecutive days or less; "short-term rental unit" does not include a

1 (A) hotel, motel, or bed and breakfast;

2 (B) commercially operated hunting or wilderness camp; or

3 (C) dwelling unit operated by a government entity or charitable
4 organization that provides temporary housing to individuals or family members
5 of individuals who are being treated for trauma, injury, or disease.

6 (bb) A municipality may by ordinance exempt or partially exempt from
7 taxation a mobile home park for up to 10 years after the mobile home park is
8 constructed or renovated.

9 (cc) A municipality may by ordinance exempt or partially exempt from
10 taxation real property rented to a low-income family if the monthly rent charged to the
11 low-income family is not more than 30 percent of the median family income for the
12 area as determined by the United States Secretary of Housing and Urban Development
13 under 42 U.S.C. 1437a(b)(2)(C)(ii). In this subsection, "low-income family" has the
14 meaning given to "low-income families" in 42 U.S.C. 1437a(b)(2)(A).

15 (dd) A municipality may by ordinance exempt or partially exempt from
16 taxation real property owned and occupied as a permanent place of abode by a resident
17 of the municipality.

18 (ee) A municipality may by ordinance exempt or partially exempt from
19 taxation residential real property owned by a first-time home buyer.