

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES LEGISLATIVE AFFAIRS AGENCY STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

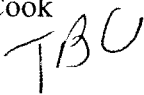
State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

February 5, 2009

SUBJECT: Municipal property taxes; sectional summary (House Bill 10)
(Work Order No. 26-LS0063\S)

TO: Representative Max Gruenberg
Attn: Allison Laffen

FROM: Tamara Brandt Cook
Director 

Sec. 1. Permits a borough to charge a city fee for costs of collecting a tax that is not also levied by a majority of the cities in the borough or levied by the borough on an areawide basis.

Sec. 2. Eliminates the requirement that a widow or widower of a disabled veteran who had qualified for an exemption for taxes on the residence be at least 60 years old in order to also qualify for the exemption. Under **Sec. 7**, this bill section, but not the rest of the bill, takes effect January 1, 2010.

Sec. 3. Increases the optional tax exemption on all residential property from up to \$20,000 of the assessed value to \$40,000 of the assessed value.

Sec. 4. Permits a municipality to classify and exempt from taxation property of certain nonprofit four-year colleges or universities. A private leasehold, contract or other interest in the property remains taxable to the extent of the interest.

Sec. 5. Permits a municipality by ordinance ratified by the voters to exclude or exempt from taxation property of certain fraternal societies if the property is used for a listed purpose.

Sec. 6. Allows a municipality to provide for a tax exemption not to exceed \$150,000 of the assessed value of a residence of a law enforcement officer that is within an eligible area designated by the municipality. A municipality that provides the exemption may not request state funds to cover any loss of revenue caused by the exemption. Sets out requirements for an eligible area.

TBC:plm
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