

AMENDMENT #1

OFFERED IN THE HOUSE

BY REPRESENTATIVE TOMASZEWSKI

TO: HCS CSSB 77(CRA)

1 Page 1, following line 2:

2 Insert new bill sections to read:

3 **** Section 1.** AS 29.45.030(c) is repealed and reenacted to read:

4 (c) Property described in (a)(3) or (4) of this section from which income is
5 derived is exempt from general taxation only if the income is from

6 (1) use of the property by a nonprofit religious, charitable, or hospital
7 group that is exempt from federal taxation under 26 U.S.C. 501(c);

8 (2) use of the property by a nonprofit educational group exclusively as
9 classroom space;

10 (3) use of the property for fundraising for a nonprofit religious,
11 charitable, hospital, or educational group; or

12 (4) the owner's leasing of the property to a nonprofit organization or an
13 individual in pursuit of the property's exempt purpose and the leasing is incidental to
14 and reasonably necessary for the accomplishment of the owner's exempt purpose; this
15 paragraph does not apply to property owned by an educational group.

16 *** Sec. 2.** AS 29.45.030 is amended by adding a new subsection to read:

17 (o) Property described in (a)(3) of this section that is under construction or
18 reconstruction and intended to be used exclusively for exempt purposes upon
19 completion is exempt from general taxation if the construction or reconstruction is
20 completed within two years after the date a building or zoning permit is issued for the
21 property. In this subsection, construction or reconstruction is completed on the first
22 day the property is occupied and used for the exempt purpose."

23

- 1 Page 1, line 3:
- 2 Delete "**Section 1**"
- 3 Insert "**Sec. 3**"
- 4
- 5 Renumber the following bill sections accordingly.

33RD ALASKA STATE LEGISLATURE

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REPRESENTATIVE FRANK TOMASZEWSKI

AMENDMENT # _____, 33-LS0416\U.4
OFFERED IN THE HOUSE TO: HCS CSSB77(CRA)
BY REP TOMASZEWSKI

Page 1, following line 2:
Insert new bill sections to read:

Section 1 AS 29.45.030 (c) is repealed and reenacted to read:

(c) Property described in (a)(3) or (4) of this section from which income is derived is exempt from general taxation only if the income is from;

(c)(1) Property described in (a)(3) or (4)* of this section from which income is derived is exempt from general taxation only if the income is from use of the property by a nonprofit religious, charitable, or hospital group that is exempt from federal taxation under 26 U.S.C. 501(c)

(c)(2) Property described in (a)(3) or (4)* of this section from which income is derived is exempt from general taxation only if the income is from use of a property by a nonprofit educational group exclusively as classroom space

(c)(3) Property described in (a)(3) or (4)* of this section from which income is derived is exempt from general taxation only if the income is from use of a property for fundraising for a nonprofit religious, charitable, hospital, or educational group

*AS 29.45.030

(a) The following property is exempt from general taxation:

(a)(3) property used exclusively for nonprofit religious, charitable, cemetery, hospital, or educational purposes;

(a)(4) property of a nonbusiness organization

composed entirely of persons with 90 days or more of an active service in the armed forces of the United States whose

conditions of service and separation were

other than dishonorable or the property of an auxiliary of that organization;

(c)(1) ties to federal tax code 26 U.S.C 501(c) exemption. So if activities trigger federal taxes, they are no longer exempt.

(c)(2) property used by a nonprofit educational group derives income for space used exclusively for classroom space.

(c)(3) property exempt under (a)(3) or (4) is allowed to be used for fundraising for the listed nonprofits.

(c)(4) Property described in (a)(3) or (4)* of this section from which income is derived is exempt from general taxation only if the income is from the owner's leasing of the property to a nonprofit organization or an individual in pursuit of the property's exempt purpose and the leasing is incidental to a reasonably necessary for the accomplishment of the owner's exempt purpose; this paragraph does not apply to the property owned by an educational group

(c)(4) the owner of an exempt property is allowed to lease space to another non-profit to generate income if the income generated supports their mission. Does not apply to educational groups.

Section 2 AS 29.45.030 is amended by adding a new subsection to read:

(o) Property described in (a)(3) of this section that is under construction or reconstruction and intended to be used exclusively for the exempt purpose upon completion is exempt from general taxation if the construction or reconstruction is completed within two years after the date a building or zoning permit is issued for the property. In this subsection, construction or reconstruction is completed on the first day the property is occupied and used for the exempt purpose.

(o) property owned by an exempt entity is given a two-year grace period from taxation for the purposes of construction or reconstruction of a facility used for exempt purposes. The grace period ends at two years or at occupancy.

Page 1, Line 3:
Delete "Section 1"
Insert "sec.3"

Renumber the following bill sections accordingly.

#2
AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE TOMASZEWSKI

TO: HCS CSSB 77(CRA)

- 1 Page 2, line 8, through page 3, line 16:
- 2 Delete all material.
- 3
- 4 Renumber the following bill section accordingly.

#3

AMENDMENT

OFFERED IN THE HOUSE

TO: HCS CSSB 77(CRA)

By REPRESENTATIVE COULOMBE

- 1 Page 2, line 13:
- 2 Delete "include the following requirements"
- 3 Insert "specify that a property is blighted if at least one of the following applies"

AMENDMENT **#4**

OFFERED IN THE HOUSE

TO: HCS CSSB 77(CRA)

BY REPRESENTATIVE COULOMBE

1 Page 2, line 18:

2 Delete all material.

3

4 Reletter the following subparagraphs accordingly.

5

6 Page 2, line 21, following "property":

7 Insert "has been vacant for not less than one year and"