

33RD ALASKA STATE LEGISLATURE

Session:

State Capitol, Room 501
Juneau, Alaska 99801
(907) 465-4457



Interim:

1292 Sadler Way, Suite 308
Fairbanks, Alaska 99701
(907) 451-8172

REPRESENTATIVE FRANK TOMASZEWSKI

Sectional Analysis

House Bill 267: MUNICIPAL PROPERTY TAX EXEMPTIONS

"An Act relating to property exempt from municipal taxation."

Section 1: Amends AS 29.45.030(a)

Page 2 line 16, Establishes that property is exempt from general taxation when the property is used primarily rather than exclusively for nonprofit religious, charitable, cemetery, hospital, or educational purposes.
Page 3 lines 19-20, This section further establishes parking lots that are primarily used to serve real property that is exempt under municipal taxation.

Section 2: Amends AS 29.45.030(b)

Page 3 line 22-23 Clarifies municipal taxation exemption of religious property as property used primarily versus property used exclusively for religious purposes.
Page 4 line 2 The section further clarifies that a structure, its furniture, and its fixtures used primarily rather than solely for qualifying property is also exempted from municipal taxation.

Section 3: is repeals and reenacts AS 29.45.030(c)

Page 4 lines 8-18 Clarifies Properties described in (a)(3) or (4) of this section that generate income and are used primarily are exempt from general taxation if the income is from use of a property by a nonprofit religious, charitable, hospital group or an educational group; educational group only as classroom space; used for fundraising by these groups is also allowed.

Section 4: to add a new subsection.

Page 4 lines 20-25 Establishes that property described in (a) (3) of this section that is under construction or reconstruction and is intended used for tax exempt purpose upon completion is exempt from general taxation if completed within two years of permitting. The section clarifies completion as the first day the property is occupied for the mission.

Page 4 line 26-30 In addition, the exempt property remains exempt if it is for a purpose that is directly incidental to and vitally necessary for the exempt use of the property, or a nonexempt purpose for an insubstantial period of time.

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