



LAWS OF ALASKA

1990

Source

SCS SSHB 159 (C&RA)

Chapter No.

127

AN ACT

Relating to an exemption from municipal property taxation for natural resources in place; and providing for an effective date.

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

THE ACT FOLLOWS ON PAGE 1, LINE 10

Approved by the Governor: June 14, 1990
Actual Effective Date: June 15, 1990

AN ACT

Relating to an exemption from municipal property taxation for natural resources in place; and providing for an effective date.

* Section 1. PURPOSE. It is the primary purpose of the legislature in providing for a temporary tax exemption for natural resources in place to gain the time necessary for an orderly and comprehensive study of the issues relating to exempting natural resources in place from municipal property taxation.

* Sec. 2. TEMPORARY TAX EXEMPTION. Natural resources in place, including proven or unproven mineral and other deposits of valuable materials and timber stumpage, are exempt from property taxation by a municipality.

* Sec. 3. STUDY AND REPORT. (a) The Department of Community and Regional Affairs shall study and compare the potential effects of various natural resource taxation options including

(1) total exemption from municipal property taxation for natural resources in place;

(2) partial exemption from municipal property taxation for natural resources in place;

(3) no exemption from municipal property taxation for natural resources in place;

(4) total or partial exemption from municipal property taxation for natural resources in place at the option of each municipality;

(5) taxation of natural resources in place by municipalities

Chapter 127

1 other than property taxation for purposes of determining whether a perma-
2 nent exemption from property taxation is the most desirable approach.

3 (b) The Department of Community and Regional Affairs shall select
4 representatives of municipalities and of unincorporated communities in
5 boroughs and in the unorganized borough to advise in the design and exe-
6 cution of the study under (a) of this section. The Department of Community
7 and Regional Affairs shall conduct the study in concert with the Department
8 of Revenue and with the Alaska Municipal League. The study must include
9 consideration of

10 (1) tax treatment by other states of natural resources in place;

11 (2) the point in time that natural resources in place acquire a
12 value for tax purposes; and

13 (3) methods for determining the value of natural resources in
14 place that may be applied on a uniform basis in all municipalities.

15 (c) By January 15, 1992, the Department of Community and Regional
16 Affairs shall report to the legislature its findings and recommendations
17 regarding municipal property taxation of natural resources in place.

18 * Sec. 4. This Act is repealed July 1, 1992.

19 * Sec. 5. This Act takes effect immediately under AS 01.10.070(c).