

SENATE CS FOR CS FOR HOUSE BILL NO. 272(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered: 4/11/96

Referred: Rules

Sponsor(s): REPRESENTATIVES HANLEY, Navarre, G.Davis

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to municipal taxation of motor vehicles; and providing for an
2 effective date."

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

4 * Section 1. AS 28.10.431(f) is amended to read:

5 (f) Money received by an organized borough under this section shall be
6 allocated by the borough by ordinance for city, area outside city, and service area
7 purposes within the borough. If a municipality by ordinance increases the
8 scheduled amount of tax described under (b) of this section, the amount of
9 additional money received under this section by the municipality shall be used to
10 reduce property taxes levied by the municipality at a uniform rate within its
11 entire area.

12 * Sec. 2. AS 28.10.431 is amended by adding a new subsection to read:

13 (i) A municipality that imposes a motor vehicle registration tax as described
14 under (a) of this section may also increase or decrease the scheduled amount of tax

1 described under (b) of this section by passage of an appropriate ordinance. A
2 municipality that chooses to change the tax imposed under (b) of this section shall file
3 a written notice of the change with the department by January 1 of the year preceding
4 the year in which the change in tax is to take effect. A municipality may not change
5 the amount of the tax imposed under this section more than once every two years.
6 The department may charge a municipality a one-time fee to cover the cost to the
7 department of implementing a change under this subsection.

8 * **Sec. 3.** This Act takes effect July 1, 1996.