

HOUSE BILL NO. 354

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - SECOND SESSION

BY REPRESENTATIVE CROFT

Introduced: 1/26/98

Referred: Community and Regional Affairs, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to reimbursement to a municipality for certain property tax
2 revenues lost to it as a result of a tax exemption for certain residences; and
3 providing for an effective date."

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

5 * **Section 1.** AS 18.56.082 is amended by adding a new subsection to read:

6 (b) In addition to the expenditures made under (a) of this section, money from
7 the Alaska housing finance revolving fund shall be used for reimbursements to
8 municipalities under AS 29.45.030(g). Within 30 days after receiving a request from
9 the state for money to be used for reimbursements, the corporation shall transfer the
10 amount requested from the revolving fund to the state.

11 * **Sec. 2.** AS 29.45.030(g) is amended to read:

12 (g) The state shall reimburse a borough or city, as appropriate, for the real
13 property tax revenues lost to it by the operation of (e) of this section. However,
14 reimbursement may be made to a municipality for revenue lost to it only to the extent

1 that the loss exceeds an exemption that was granted by the municipality, or that on
2 proper application by an individual would have been granted under AS 29.45.050(a).
3 If appropriations **and amounts transferred to the state under AS 18.56.082** are not
4 sufficient to fully fund reimbursements under this subsection, the amount available
5 shall be distributed pro rata among eligible municipalities.

6 * **Sec. 3.** This Act takes effect July 1, 1998.