

**SENATE BILL NO. 227**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - SECOND SESSION

BY SENATOR ELTON

Introduced: 1/27/00

Referred: Community and Regional Affairs, Finance

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to the limitation of levy of municipal ad valorem taxes in home  
2 rule and general law municipalities; and providing for an effective date."

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

4 \* **Section 1.** AS 29.45.090 is amended by adding a new subsection to read:

5 (e) The provisions of (a) of this section do not apply in a municipality that,  
6 before, on, or after the effective date of this subsection, establishes a different  
7 limitation of levy that may not exceed three percent of the assessed value of property  
8 in the municipality. All property in the municipality on which the ad valorem tax is  
9 levied shall be taxed at the same rate. A limitation of levy under this subsection shall  
10 be set,

11 (1) in a home rule municipality, by home rule charter provision; and

12 (2) in a general law municipality, by ordinance approved by the voters.

13 \* **Sec. 2.** AS 29.45.100, as amended by sec. 2(3) of the initiative identified as 99PTAR,  
14 is amended to read:

1           **Sec. 29.45.100. Limitations [NO LIMITATIONS] on taxes to pay bonds.**

2           The limitations provided for in AS 29.45.080 - 29.45.090 do not apply to taxes levied  
3           or pledged to pay or secure the payment of the principal and interest on bonds issued  
4           **before** [PRIOR TO] January 1, 2001, but do apply to taxes levied or pledged to pay  
5           or secure the payment **of** [OR] principal and interest on bonds, **except the principal**  
6           **and interest on bonds, notes, or other indebtedness that qualify under**  
7           **AS 14.11.100 for allocation of state aid,** issued on or after that date. Taxes to pay  
8           or secure the payment of principal and interest on bonds issued **before** [PRIOR TO]  
9           January 1, 2001, may continue to be levied without limitation as to rate or amount,  
10          regardless of whether the bonds are in default or danger of default.

11          \* **Sec. 3.** The uncodified law of the State of Alaska is amended by adding a new section  
12          to read:

13                CONDITIONAL EFFECT. The Act takes effect only if the initiative identified as  
14          99PTAR, an initiative proposition relating to the assessment, levy, and collection of property  
15          taxes by home rule and general law municipalities, is approved because a majority of the votes  
16          cast on the initiative proposition favors its adoption.

17          \* **Sec. 4.** If, under sec. 3 of this Act, this Act takes effect, it takes effect on the effective  
18          date of the initiative proposition identified as 99PTAR.