

AMENDMENT #1 Wagoner

OFFERED IN THE SENATE

TO: CSSB 136(FIN)

1 Page 1, line 1, following "Act":

2 Insert "relating to a mandatory property tax exemption for certain private  
3 property interests on military bases or installations;"

4

5 Page 1, line 2, following "property;":

6 Delete "and"

7

8 Page 1, line 3, following "deteriorated property":

9 Insert "; and providing for an effective date"

10

11 Page 1, following line 4:

12 Insert a new bill section to read:

13 **\*\* Section 1.** AS 29.45.030(a) is amended to read:

14 (a) The following property is exempt from general taxation:

15 (1) municipal property, including property held by a public corporation  
16 of a municipality, state property, property of the University of Alaska, or land that is  
17 in the trust established by the Alaska Mental Health Enabling Act of 1956, P.L. 84-  
18 830, 70 Stat. 709, except that

19 (A) a private leasehold, contract, or other interest in the  
20 property is taxable to the extent of the interest; however, an interest created by  
21 a nonexclusive use agreement between the Alaska Industrial Development and  
22 Export Authority and a user of an integrated transportation and port facility  
23 owned by the authority and initially placed in service before January 1, 1999,

1 is taxable only to the extent of, and for the value associated with, those specific  
2 improvements used for lodging purposes;

3 (B) notwithstanding any other provision of law, property  
4 acquired by an agency, corporation, or other entity of the state through  
5 foreclosure or deed in lieu of foreclosure and retained as an investment of a  
6 state entity is taxable; this subparagraph does not apply to federal land granted  
7 to the University of Alaska under AS 14.40.380 or 14.40.390, to other land  
8 granted to the university by the state to replace land that had been granted  
9 under AS 14.40.380 or 14.40.390, or to land conveyed by the state to the  
10 university under AS 14.40.365;

11 (C) an ownership interest of a municipality in real property  
12 located outside the municipality acquired after December 31, 1990, is taxable  
13 by another municipality; however, a borough may not tax an interest in real  
14 property located in the borough and owned by a city in that borough;

15 (2) household furniture and personal effects of members of a  
16 household;

17 (3) property used exclusively for nonprofit religious, charitable,  
18 cemetery, hospital, or educational purposes;

19 (4) property of a nonbusiness organization composed entirely of  
20 persons with 90 days or more of active service in the armed forces of the United States  
21 whose conditions of service and separation were other than dishonorable, or the  
22 property of an auxiliary of that organization;

23 (5) money on deposit;

24 (6) the real property of certain residents of the state to the extent and  
25 subject to the conditions provided in (e) of this section;

26 (7) real property or an interest in real property that is exempt from  
27 taxation under 43 U.S.C. 1620(d), as amended;

28 (8) property of a political subdivision, agency, corporation, or other  
29 entity of the United States to the extent required by federal law; except that a private  
30 leasehold, contract, or other interest in the property is taxable to the extent of that  
31 interest unless the property is located on a military base or installation and the

1        **property interest is created under 10 U.S.C. 2871 - 2885 (Military Housing**  
2        **Privatization Initiative)**;

3                    (9) natural resources in place including coal, ore bodies, mineral  
4        deposits, and other proven and unproven deposits of valuable materials laid down by  
5        natural processes, unharvested aquatic plants and animals, and timber."

6

7        Page 1, line 5:

8                    Delete "**\* Section 1.**"

9                    Insert "**\* Sec. 2.**"

10

11        Renumber the following bill sections accordingly.

12

13        Page 2, following line 30:

14                    Insert a new bill section to read:

15        "**\* Sec. 5.** Section 1 of this Act takes effect immediately under AS 01.10.070(c)."