

**HOUSE CS FOR CS FOR SENATE BILL NO. 183(CRA) am H**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - FIRST SESSION

BY THE HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

Amended: 5/21/03

Offered: 5/21/03

Sponsor(s): SENATORS SEEKINS, Wilken

REPRESENTATIVE Lynn

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to municipal property taxation in annexed and detached areas; and**  
2 **authorizing certain boroughs to use revenue collected on an areawide or nonareawide**  
3 **basis for economic development; and providing for an effective date."**

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

5 \* **Section 1.** AS 29.06. is amended by adding a new section to read:

6 **Sec. 29.06.055. Property taxes in annexed or detached areas.** (a) Unless  
7 the annexation takes effect on January 1, the municipality may not assess, levy, or  
8 collect property taxes in an annexed area before January 1 of the year immediately  
9 following the year in which the annexation takes effect.

10 (b) If an area is detached from a municipality, all property taxes that are levied  
11 by that municipality on property in the detached area based on an assessment that  
12 occurred before the effective date of the detachment remain valid. AS 29.45.290 -  
13 29.45.500 apply to the enforcement of those taxes.

14 \* **Sec. 2.** AS 29.35.110 is amended by adding a new subsection to read:

1                   (c) Notwithstanding (a) of this section, a borough that has entered into an  
2                   agreement with a city located in the borough to cooperatively or jointly provide for  
3                   economic development may use borough revenue from taxes, whether collected on an  
4                   areawide or nonareawide basis, to carry out the terms of the agreement.

5                   \* **Sec. 3.** This Act takes effect immediately under AS 01.10.070(c).