

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: 3
 Bill Version: CSHB 280(FIN)
 (H) Publish Date: 5/5/05

Revision Date/Time (Note if correction): _____ Dept. Affected: Commerce
 Title Minerals Tax/Payments to Muni. RDU Comm Assist & Ec Dev (405)
 Component Community Advocacy
 Sponsor Resources
 Requester House Finance Component No. 2703

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services	75.0	75.0	75.0	75.0	75.0	75.0
Travel	10.0	10.0	10.0	10.0	10.0	10.0
Contractual						
Supplies	1.0	1.0	1.0	1.0	1.0	1.0
Equipment	5.0	5.0	5.0	5.0	5.0	5.0
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	91.0	91.0	91.0	91.0	91.0	91.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	91.0	91.0	91.0	91.0	91.0	91.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	91.0	91.0	91.0	91.0	91.0	91.0

Estimate of any current year (FY2005) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time	1	1	1	1	1	1
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This legislation proposes to establish a statewide property tax for 15 years, not to exceed 4 mills, on mining property with a value in excess of \$10 million and located within the unorganized borough. If the area where the mining operation is located incorporates, the mill levy will be the same as on all other similarly situated property.

The bill removes the ability for municipalities to levy a severance tax on minerals, but requires mining operations to pay the same taxes levied on all other property owners within the municipality.

The department will need to hire an appraiser to appraise mining property in the unorganized borough.

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 Division Community Advocacy Date/Time 5/4/05 12:11 PM
 Approved by: Edgar Blatchford, Commissioner Date 5/4/2005
 Agency Commerce, Community, and Economic Development