

**HOUSE BILL NO. 224**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SIXTH LEGISLATURE - FIRST SESSION

**BY REPRESENTATIVE KAWASAKI**

**Introduced: 4/10/09**

**Referred: Community and Regional Affairs, Finance**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to an optional municipal property tax exemption for an improvement**  
2 **to real property that is eligible for a federal tax credit for energy efficiency."**

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

4 **\* Section 1.** AS 29.45.050(b) is amended to read:

5 (b) A municipality may by ordinance

6 (1) classify and exempt from taxation

7 (A) the property of an organization not organized for business  
8 or profit-making purposes and used exclusively for community purposes if the  
9 income derived from rental of that property does not exceed the actual cost to  
10 the owner of the use by the renter;

11 (B) historic sites, buildings, and monuments;

12 (C) land of a nonprofit organization used for agricultural  
13 purposes if rights to subdivide the land are conveyed to the state and the  
14 conveyance includes a covenant restricting use of the land to agricultural

1 purposes only; rights conveyed to the state under this subparagraph may be  
2 conveyed by the state only in accordance with AS 38.05.069(c);

3 (D) all or any portion of private ownership interests in property  
4 that, based upon a written agreement with the University of Alaska, is used  
5 exclusively for student housing for the University of Alaska; property may be  
6 exempted from taxation under this subparagraph for no longer than 30 years  
7 unless the exemption is specifically extended by ordinance adopted within the  
8 six months before the expiration of that period;

9 (2) classify as to type and exempt or partially exempt some or all types  
10 of personal property from ad valorem taxes;

11 **(3) partially or wholly exempt an improvement to real property**  
12 **that, for the year for which the exemption is granted, is also eligible for a federal**  
13 **tax credit for energy efficiency.**