

# FISCAL NOTE

**STATE OF ALASKA**  
**2012 LEGISLATIVE SESSION**

Bill Version CSHB 264(CRA)  
 Fiscal Note Number 2  
 (H) Publish Date 2/24/12

Identifier (file name) HB264-DCCED-DCRA-02-17-12 Dept. Affected DCCED  
 Title MUNI PROPERTY TAX EXEMPTION: SUBDIVISIONS Appropriation Community and Regional Affairs  
 Allocation Community and Regional Affairs  
 Sponsor Representative Munoz  
 Requester House Finance OMB Component Number 2879

**Expenditures/Revenues** (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates					
			FY13	FY14	FY15	FY16	FY17	FY18
<b>OPERATING EXPENDITURES</b>								
Personal Services	0.0		0.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0		0.0	0.0	0.0	0.0	0.0	0.0
Services	0.0		0.0	0.0	0.0	0.0	0.0	0.0
Commodities	0.0		0.0	0.0	0.0	0.0	0.0	0.0
Capital Outlay								
Grants, Benefits								
Miscellaneous								
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF	0.0		0.0	0.0	0.0	0.0	0.0
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
<b>TOTAL</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

POSITIONS							
Full-time	0		0	0	0	0	0
Part-time	0		0	0	0	0	0
Temporary	0		0	0	0	0	0

CHANGE IN REVENUES							
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**Estimated SUPPLEMENTAL (FY12) operating costs** 0.0 (separate supplemental appropriation required,  
 (discuss reasons and fund source(s) in analysis section)

**Estimated CAPITAL (FY13) costs** 0.0 (separate capital appropriation required,  
 (discuss reasons and fund source(s) in analysis section)

**Why this fiscal note differs from previous version (if initial version, please note as such)**

The CS made changes to allow increase to the types of improvements that are eligible for the exemption.

Prepared by Scott Ruby, Director  
 Division Community and Regional Affairs  
 Approved by JoEllen Hanrahan, Director Administrative Services  
Commerce, Community, and Economic Development

Phone 269-4569  
 Date/Time 2/17/2012 9:00am  
 Date 2/20/2012

**FISCAL NOTE #2**

**STATE OF ALASKA  
2012 LEGISLATIVE SESSION**

**BILL NO. CSHB 264(CRA)**

**Analysis**

HB 264 authorizes municipalities to adopt by ordinance a program to defer tax payments on certain newly subdivided properties. The CS made changes to allow increase to the types of improvements that are eligible for the exemption.

This legislation allows for deferral, not exemption from property taxes. It seeks to ease the short term cost of subdivision and development of properties, which could provide an incentive for local development and result in a net increase in property values. The property tax that is deferred is the portion attributable to the increase in assessed value. The deferral is up to 5 years.

There would be no fiscal impact to the Department if this legislation was enacted.