

**HOUSE BILL NO. 40**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-EIGHTH LEGISLATURE - FIRST SESSION

**BY REPRESENTATIVES HUGHES, Herron, Thompson, Isaacson, Olson, Kerttula, Johnson, Austerman, Reinbold, Keller, Gara, Lynn, Tarr, Gruenberg**

**Introduced: 1/16/13**

**Referred: Community and Regional Affairs**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act establishing a municipal tax exemption for certain farm structures."**

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

3 **\* Section 1.** AS 29.45.050 is amended by adding new subsections to read:

4 (t) A municipality may by ordinance partially or totally exempt from taxation  
5 a farm structure owned or leased by an individual who is actively engaged in farming  
6 and who derives at least 10 percent of the individual's yearly gross income from  
7 farming activity if at least 50 percent of the area of the structure is used for

8 (1) the storage or processing of

9 (A) grains, fruits, vegetables, or other crops produced by the  
10 owner's or lessee's farming activity;

11 (B) feed for livestock, poultry, or other animals used in the  
12 owner's or lessee's farming activity;

13 (C) milk or milk products produced by the owner's or lessee's  
14 farming activity; or

15 (2) stabling or milking the owner's or lessee's dairy animals.

1                   (u) In this section, "farming activity" means raising and harvesting crops;  
2                   feeding, breeding, and managing livestock; dairying; or any combination of those  
3                   activities.