

HOUSE BILL NO. 291

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FOURTH LEGISLATURE - SECOND SESSION

BY REPRESENTATIVES COULOMBE, G.Nelson, Bynum

Introduced: 2/4/26

Referred: Community and Regional Affairs, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to municipal exemptions from fees for landfills or dumping areas; and
2 relating to optional municipal property tax exemptions."

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

4 * **Section 1.** AS 29.35.050(d) is amended to read:

5 (d) A municipality that owns or operates a landfill or dumping area for the
6 disposal of waste material may, by ordinance, partially or totally exempt from a fee for
7 the use of the landfill or dumping area the disposal of waste material generated from
8 the substantial rehabilitation, renovation, demolition, removal, or replacement of a
9 structure on deteriorated property. The exemption may apply to some or all types of
10 deteriorated property, as provided in the ordinance. An ordinance adopted under this
11 subsection must include specific eligibility requirements and require a written
12 application for the fee exemption. In this subsection, "deteriorated property" **means**
13 **real property that is**

14 **(1) residential property located in a deteriorating or deteriorated**

1 area with boundaries that have been determined by the municipality, if the
 2 property is owned by an entity that owns at least two residential properties and
 3 eight or more residential units among those properties in that deteriorating or
 4 deteriorated area; or

5 (2) commercial property not used for residential purposes or that
 6 is multi-unit residential property with at least eight residential units, and that
 7 meets one of the following requirements:

8 (A) within the last five years, has been the subject of an
 9 order by a government agency requiring environmental remediation of
 10 the property or requiring the property to be vacated, condemned, or
 11 demolished by reason of noncompliance with laws, ordinances, or
 12 regulations;

13 (B) has a structure on the property that is not less than 15
 14 years old and that has not undergone substantial rehabilitation,
 15 renovation, demolition, removal, or replacement, subject to any conditions
 16 prescribed in the ordinance; or

17 (C) is located in a deteriorating or deteriorated area with
 18 boundaries that have been determined by the municipality [HAS THE
 19 MEANING GIVEN IN AS 29.45.050].

20 * **Sec. 2.** AS 29.45.050(a) is amended to read:

21 (a) A municipality may classify and exclude or exempt or partially exempt
 22 real [RESIDENTIAL] property from taxation by ordinance [RATIFIED BY THE
 23 VOTERS AT AN ELECTION]. An exclusion or exemption authorized by this
 24 subsection

25 (1) may be applied with respect to taxes levied in a service area to fund
 26 the special services;

27 (2) must be approved by the voters if the exclusion or exemption
 28 exceeds \$75,000 for a property. [AN EXCLUSION OR EXEMPTION
 29 AUTHORIZED BY THIS SUBSECTION MAY NOT EXCEED THE ASSESSED
 30 VALUE OF \$75,000 FOR ANY ONE RESIDENCE EXCEPT THAT A
 31 MUNICIPALITY MAY, BY ORDINANCE, ANNUALLY ADJUST THE

1 MUNICIPALITY'S VOTER-AUTHORIZED EXEMPTION BY THE AMOUNT
 2 CALCULATED BY THE STATE ASSESSOR TO REFLECT THE INCREASE, IF
 3 ANY, IN THE ANNUAL AVERAGE COST OF LIVING, USING THE UNITED
 4 STATES DEPARTMENT OF LABOR CONSUMER PRICE INDEX FOR URBAN
 5 ALASKA.]

6 * **Sec. 3.** AS 29.45.050(i) is amended to read:

7 (i) A municipality may by ordinance approved by the voters exempt from
 8 taxation the assessed value that exceeds \$150,000 of real property owned and
 9 occupied as a permanent place of abode by a resident who is

10 [(1)] 65 years of age or older [;

11 (2) A DISABLED VETERAN, INCLUDING A PERSON WHO WAS
 12 DISABLED IN THE LINE OF DUTY WHILE SERVING IN THE ALASKA
 13 TERRITORIAL GUARD; OR

14 (3) AT LEAST 60 YEARS OLD AND A WIDOW OR WIDOWER
 15 OF A PERSON WHO QUALIFIED FOR AN EXEMPTION UNDER (1) OR (2) OF
 16 THIS SUBSECTION].

17 * **Sec. 4.** AS 29.45.055(a) is amended to read:

18 (a) A municipality may by ordinance **classify as to type and totally exempt**
 19 **some or all types of personal property from ad valorem taxes and** levy a flat tax
 20 on **the exempted** personal property [THAT HAS BEEN TOTALLY EXEMPTED
 21 FROM AD VALOREM TAXES UNDER AS 29.45.050(b)]. A municipality that
 22 levies a flat tax may classify the property as to type based on any characteristic and tax
 23 each item of property of the same type at a specific amount. A flat tax may be levied
 24 on all or on only some types of personal property. The flat tax ordinance must include
 25 a procedure under which the taxpayer may appeal the determination of ownership or
 26 classification of property subject to the tax. The municipality may establish procedures
 27 necessary to collect the tax.

28 * **Sec. 5.** AS 29.45.050(b), 29.45.050(c), 29.45.050(d), 29.45.050(e), 29.45.050(f),
 29 29.45.050(g), 29.45.050(h), 29.45.050(j), 29.45.050(k), 29.45.050(l), 29.45.050(m),
 30 29.45.050(n), 29.45.050(o), 29.45.050(p), 29.45.050(q), 29.45.050(r), 29.45.050(s),
 31 29.45.050(t), 29.45.050(u), 29.45.050(v), 29.45.050(w), 29.45.050(x), 29.45.050(y), and

1 29.45.050(z) are repealed.