

HOUSE BILL NO. 323

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FOURTH LEGISLATURE - SECOND SESSION

BY REPRESENTATIVE MOORE

Introduced: 2/23/26

Referred: Community and Regional Affairs, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to municipal assessments of farm or agricultural land; and providing
2 for an effective date."

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

4 * **Section 1.** AS 29.45.060(b) is amended to read:

5 (b) An owner of farm use land shall, to secure the assessment under this
6 section, apply to the assessor on or before May 15 of each year in which the
7 assessment is desired. The application shall be made on forms prescribed by the state
8 assessor for the use of the local assessor, and must include **information required on a**
9 **Schedule F (Form 1040) and other** information that may reasonably be required to
10 determine the entitlement of the applicant. **If the applicant is required by the**
11 **Internal Revenue Service to file an Internal Revenue Service Schedule F (Form**
12 **1040), the applicant shall provide the local assessor with a copy of the applicant's**
13 **Schedule F (Form 1040). If the applicant is an S corporation, the applicant shall**
14 **provide the local assessor with the same information required on a Schedule F**

1 **(Form 1040)**. If the land is leased for farm use purposes, the applicant shall furnish to
 2 the assessor a copy of the lease bearing the signatures of both lessee and lessor along
 3 with the completed application. The applicant shall furnish the assessor a copy of the
 4 lease covering the period for which the exemption is requested. This subsection does
 5 not apply to a person with an interest in land that is classified by the state for
 6 agricultural use or that is restricted by the state for agricultural purposes.

7 * **Sec. 2.** AS 29.45.060(f) is amended to read:

8 (f) This section does not apply to land for which the owner has granted, and
 9 has outstanding, a lease or option to buy the surface rights. A property owner wishing
 10 to file for farm use classification having no history of farm-related income may submit
 11 a declaration of intent at the time of filing the application with the assessor setting out
 12 the intended use of the land and certifying that the property owner intends to file an
 13 Internal Revenue Service Schedule F (Form 1040) with the United States Internal
 14 Revenue Service for the current tax year. An applicant using this procedure shall file
 15 with the assessor on or before April 15 of the following year a copy of the Schedule F
 16 (Form 1040) the applicant files with the Internal Revenue Service. **If the applicant is**
 17 **an S corporation, the applicant does not need to certify that it intends to file a**
 18 **Schedule F (Form 1040) with the United States Internal Revenue Service for the**
 19 **current tax year, but the applicant shall file with the assessor on or before**
 20 **April 15 of the following year the same information required on a Schedule F**
 21 **(Form 1040)**. Failure to make a filing required in this subsection forfeits the
 22 exemption.

23 * **Sec. 3.** AS 29.45.060(g) is amended to read:

24 (g) In this section,

25 (1) "farm use" means the use of land for the production of crops, fruits,
 26 **flowers, livestock,** or other agricultural products [FOR HUMAN OR ANIMAL
 27 CONSUMPTION OR FOR THE SUSTENANCE OR GRAZING OF LIVESTOCK]
 28 if the owner or lessee sells at least \$2,500 of agricultural products produced from the
 29 land during the tax year [AND FILES AN INTERNAL REVENUE SERVICE
 30 SCHEDULE F (FORM 1040) WITH THE UNITED STATES INTERNAL
 31 REVENUE SERVICE]; **"farm use" does not include the use of land for the**

1 **production of marijuana;**

2 (2) "livestock" includes cattle, hogs, sheep, goats, **horses**, chickens,
3 turkeys, pigeons, and other poultry;

4 **(3) "S corporation" means a sole proprietorship, partnership, or**
5 **entity that has elected to file federal returns under 26 U.S.C. 1361 - 1379**
6 **(Internal Revenue Code)** [RAISED TO PROVIDE MEAT OR OTHER PRODUCTS
7 FOR HUMAN CONSUMPTION].

8 * **Sec. 4.** This Act takes effect immediately under AS 01.10.070(c).