

Original

House Affairs

IN THE HOUSE

BY MESSRS. BOARDMAN AND EASTAUGH

HOUSE BILL NO. 43

IN THE LEGISLATURE OF THE TERRITORY OF ALASKA

TWENTY-FIRST SESSION

A BILL

For an Act entitled: "An Act authorizing and empowering municipalities, school districts and public utility districts to classify property for the purpose of taxation, and to grant exemptions to certain classes of property; and declaring an emergency."

BE IT ENACTED BY THE LEGISLATURE OF THE TERRITORY OF ALASKA:

Section 1. All municipalities, cities of the first and second class, incorporated and independent school districts, public utility districts, and all other taxing units of the Territory having power to tax real and personal property, are hereby authorized and empowered to classify property for the purpose of taxation and to grant exemptions therefrom for the periods herein prescribed to certain classes of property as follows:

(a) New industrial, commercial and business construction may be specially classified and exempted during the period of construction and until the plants or buildings are occupied or operated, but in no case shall this exemption exceed three taxable years from the time of commencement of construction. Modifications and repairs to existing structures shall not be considered as new construction under this provision.

(b) All land, buildings, new plants, equipment and

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~~124-1300~~
Strike the title and insert in lieu thereof:

"An Act authorizing and empowering Cities, Municipalities, School Districts, Public Utility Districts and other taxing units to classify property for the purpose of taxation and granting exemptions to certain classes of property; making exemptions granted and classifications made under Chapter 10, Session Laws of Alaska, 1949, binding upon such taxing units; and declaring an emergency."

1 installations as are constructed, procured, purchased or
2 installed by new industrial enterprises as herein defined to
3 manufacture or process products which constitute industry new
4 to the taxing unit wherein it is located, with resultant estab-
5 lishment of new payrolls in such taxing unit; provided that the
6 term "new industry" or "new industrial enterprise" as used
7 herein shall mean undertakings for the purpose of manufacturing
8 or processing products not ^{manufactured} manufactured or processed in the
9 taxing unit and for which plants have not already been
10 constructed and placed in operation in the taxing unit; and
11 provided further, that the exemptions from taxation granted
12 under this subdivision shall be not ~~less~~ ^{more} than one-half of the
13 tax otherwise imposed by law and shall continue for not more
14 than 10 taxable years from the date production is commenced.

Section 2. The governing body or taxing body of the city, municipality, school district or other taxing unit concerned shall, if it desires to grant the exemptions or abatements permitted herein, do so by ordinance or resolution of the governing body or taxing body of the city, municipality, school district, or other taxing unit concerned, and shall constitute a contract between the city, municipality, school district or taxing unit, and the owner of the property, or his or its assigns, so classified and exempted from taxation in whole or in part under the provisions of this Act.

Section 3. All exemptions granted in whole or in part, and all classifications heretofore made by the Tax Commissioner under the provisions of Section 6, Chapter 10, Session Laws of Alaska 1949, shall remain in full force and effect upon the terms and for the periods granted, and they shall be binding upon all municipalities, school districts and public utility districts in which the property which is the subject of

14 Strike Section 3 and insert in lieu thereof:

15 Section 3. All exemptions granted in whole or in part, and
16 all classifications heretofore made under the provisions of
17 Section 6, Chapter 10, Session Laws of Alaska 1949, shall
18 remain in full force and effect upon the terms and for the
19 periods granted, and shall be binding upon the Territory,
20 and all cities, municipalities, school districts, public
21 utility districts and other taxing units in which the pro-
22 perty which is the subject of classification or exemption
23 is situated, and the exemptions granted or classifications
24 so made shall apply to all taxes levied and assessed by the
25 city, municipality, school district, public utility district
26 or other taxing units where the property is situated, as fully
27 as though they had been granted or made under the provisions
28 of this Act. The purpose and intent of this section is to
29 carry into practical effect all classifications made and ex-
emptions granted under the provisions of Chapter 10, Session
Laws of Alaska 1949.

1 classification or exemption is situated, and the exemptions
2 granted or classifications so made by the Tax Commissioner
3 shall apply to all taxes levied and assessed by the city, school
4 district or public utility district where the property is
5 situated. The purpose and intent of this section is to carry
6 into practical effect all classifications made and exemptions
7 granted by the Territorial Tax Commissioner under the provisions
8 of Chapter 10, Session Laws of Alaska, 1949.

9 Section 4. It is declared to be the purpose and intent
10 of this Act to encourage the establishment of new industry
11 and the construction of new buildings and structures in the
12 Territory which bring new payrolls, new settlers and,
13 consequently, new wealth to the Territory, and which will
14 eventually add to the amount of taxable property in Alaska; and
15 it is enacted for the purpose of classification of property
16 for taxation.

17 Section 5. All acts and parts of acts in conflict here-
18 with are hereby repealed to the extent of the conflict.

19 Section 6. An emergency is hereby declared to exist and
20 this Act shall take effect immediately upon its passage and
21 approval.
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