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IN THE SENATE

SENATE BILL NO. 59

IN THE LEGISLATURE OF THE TERRITORY OF ALASKA
TWENTY-FIRST SESSION

A BILL

For an Act entitled: "An Act relating to the levy, assessment and collection of ad valorem ~~and sales~~ taxes by independent school districts; ^{add} ~~extending to such districts laws relating to refunds of Territorial money to cities and incorporated school districts; repealing Sections 37-3-53 and 37-3-54~~ ^{add} ~~ACL 1949~~ and declaring an emergency."

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

Section 1. ^{add} The school board of any independent school district shall have the power, pursuant to resolutions adopted by a majority of the whole board, to annually levy, assess, and collect taxes upon all real and personal property within the limits of the district, not to exceed ^{one} ~~two~~ percentum of the assessed value of such property. All moneys collected by such taxation shall be expended in payment of the costs of levying, assessing and collecting such taxes, and for the general operation and maintenance of schools and school facilities.

Section 2. In order to carry out the powers granted under this Act, the school board shall have the same powers relating to the levy, assessment and collection of taxes as are now by law granted, or as may hereafter be granted, to the common council of a municipal corporation; and such board is empowered, by resolutions adopted by the majority of the whole board, to

Page 1 Line 7, the words "and sales" should be deleted.

Page 1 delete all of lines 9,10,11 and 12 and the words "Acta 1949" on line 13, and then insert the following: providing for referendums on the question of fiscal independence for such districts;

page 1 line 15, change the capital "T" in the word "the" to a lower "t" and then insert immediately before the word "the" and after "Section 1." the following: Subject to the provisions of Section 4 of this act,

Page 1 line 19 the word "two" should be changed to "one"

1 provide for all matters and things relative to the levy,
2 assessment, equalization and collection of taxes as it may deem
3 proper, including, without limitation, the classification of
4 property for purposes of taxation; provided: (a) that penalties
5 for nonpayment of taxes, interest rates on delinquent taxes,
6 exemptions from taxation, and assessment and valuation dates
7 shall be the same as those provided by the municipality which
8 is included within the district; (b) that all assessments shall
9 be equal and uniform and based upon the true and full value of
10 the property assessed; and (c) that prior to the fixing of
11 rates of levy, the board shall sit and publicly equalize the
12 valuation of the property assessed.

13 Section 3. Subject to the provisions of Section 4 herein,
14 after the first levy and assessment of taxes by an independent
15 school district under this Act the governing body of a
16 municipality within such district shall be relieved of any
17 obligation to contribute to the costs of operating and
18 maintaining schools and school facilities. Such municipality
19 and school district are authorized to enter into agreements
20 relating to the use of tax records and tax collection facilities
21 of the municipality.

22 Section 4.

23 (a) If the amount of moneys required for the
24 operation and maintenance of schools and school facilities for
25 any school year, as shown on a budget prepared by the school
26 board, exceed one percent of the assessed valuation of all real
27 and personal property within the district, the board shall
28 determine the proportion of the funds to be raised within each
29 city within the district and the proportion of funds to be

Beginning on page 2, line 22, and continuing on through pages 3, 4, 5 and 6, delete all of Sections 4, 5, 6, 7, 8, 9, 10, 11 and 12, and insert a new Section 4 to read as follows: Section 4. The provisions of this act authorizing independent school districts, in the levy, assessment and collection of taxes for school purposes, to do so independent of any approval or other action of the common council of the municipality within the district, shall be applicable only if consent to the same of the qualified voters voting at a general or special referendum election is first obtained, upon ballots which clearly present the proposition as to whether the levy, assessment and collection of taxes for school purposes by the district should be independent of any approval, control or other action of the common council of the municipality within such district. If more than fifty percent of the votes cast in said referendum election are in the affirmative, the school board of such district may thereafter levy, assess and collect upon the assessed valuation of all real and personal property within the district, including that which is located in any municipality within the district, a tax not exceeding ten mills for school purposes. If less than fifty percent of the votes cast in said referendum election are in the affirmative, the levy, assessment and collection of taxes for school purposes by the school board shall be in accordance solely with the provisions of Sections 37-3-53 and 37-3-54 AGLA 1949.

1 raised outside of such cities, based on assessed valuations. On
2 or before the first day of May of such year the school board
3 shall present such budget to each city council for its approval
4 or rejection of such city's share of the budget. Each city
5 council at its first meeting in May of such year shall determine
6 the amount that it shall set aside for school purposes as its
7 share of the costs of operating and maintaining schools and
8 school facilities, and shall transmit this information to the
9 school board. Each city council shall transmit to the treasurer
10 of the school board on the first day of each quarter of the
11 school year one-fourth of its share of the budget.

12 (b) The school board shall levy, assess and collect a
13 tax upon all real and personal property within that part of the
14 district outside of any city, in accordance with other provisions
15 of this Act. The rate of levy shall be the same as that
16 necessary to raise each city's share of the budget within such
17 city. On or before October 1st of such year the school board
18 assessor shall collect one-half of the taxes levied and assessed
19 upon property outside of the cities, and on March 1st of such
20 year he shall collect the other half.

21 (c) Nothing in the language of this section shall be
22 construed so as to require a city council to levy and collect a
23 tax upon property within the city if funds for the city's share
24 of the school budget are otherwise available.

25 Section 5. Section 4 of this Act shall be applicable only

26 (a) if the funds required for the operation and
27 maintenance of schools and school facilities for any school year,
28 as shown on a budget prepared by the school board, exceed one
29 percent of the assessed valuation of all real and personal

1 property within the district; and

2 (b) if each city's share of such budget, as finally
3 determined by the city council, exceeds one percent of the
4 assessed valuation of all real and personal property within the
5 city.

6 Section 6. All taxes levied and assessed by a school board
7 under this Act shall be a lien upon the property assessed, and
8 such lien shall be prior and paramount to all other liens and
9 encumbrances upon such property. All existing laws and all those
10 which may be hereafter enacted relating to the enforcement of
11 tax liens on property by municipal corporations, including,
12 without limitation, laws relating to redemption of property sold
13 at tax sales, are extended to independent school districts.

14 Section 7. The owner of property assessed by a school
15 district shall be personally liable for the amount of taxes
16 assessed against such property; and such taxes, together with
17 penalties and interest, may be collected after the same become
18 due in a personal action brought in the name of the school
19 district against such owner in any court of competent
20 jurisdiction.

21 Section 8. Any remedy provided herein for the collection
22 of taxes of a school district shall not be deemed exclusive and
23 shall be in addition to all other existing remedies.

24 Section 9. All provisions of law now existing or which may
25 be hereafter enacted relating to refunds of Territorial money
26 to cities and incorporated school districts are made applicable
27 to independent school districts.

28 Section 10. If any independent school district encompasses
29 more than one municipal corporation, then the word "municipality"

1 as used in Section 2 (a) herein shall mean the municipality with
2 the largest population.

3 Section 11. School boards in independent school districts
4 shall have the power to levy and collect a consumer's sales tax
5 not exceeding two percent of the sales price on all retail sales
6 and services made within the district; provided, that the consent
7 of the qualified voters of the district is first obtained
8 through a referendum vote at a general or special election, upon
9 ballots which clearly present the proposition as to whether such
10 sales tax shall be authorized within the district. The ballot
11 shall also set forth whether the tax is to be levied for general
12 revenue for the district or for a special school purpose, and if
13 for a special school purpose, same shall be specified on the
14 ballot. If more than fifty percent of the votes cast in said
15 referendum are in the affirmative, the school board may
16 thereafter enact such a tax in the nature of a levy upon buyers
17 but with imposition upon sellers of the obligation of collecting
18 the same at the time of sale, or at the time of collection with
19 respect to credit transactions, and transmit the same to the
20 district. The sole purpose of this subsection is to enable such
21 districts, with the consent of the residents thereof, to impose
22 sales taxes, and although such method of taxation be established
23 within a district, the school board may at any time abandon the
24 same. It is also the intent that if consent to such tax be
25 obtained for a special purpose, the proceeds of the tax may not
26 be used for any other purpose unless with consent of the voters
27 at another referendum. It is further provided that in the event
28 a tax shall be levied or imposed hereunder upon either sales or
29 services made within any incorporated municipality or other

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political subdivision which is a part of any district, where such incorporated municipality or other political subdivision levies a consumer's sales tax upon the sales price of either or both retail sales or services, the tax levied hereunder shall be independent of and in addition to the tax levied by such municipal corporation or other political subdivision.

Section 12. Sections 37-3-53 and 37-3-54 ACLA 1949 are repealed.

5 new sections
~~Section 12.6. An emergency is hereby declared to exist, and this Act shall take effect immediately upon its passage and approval.~~

on page 6, line 9, change "13" to "6"

page 6 line 9 add Section 5 to read as follows: This Act shall be applicable only to those independent school districts where, for all public elementary and high schools within the district, the total school enrollment reached 4,000 or more pupils during the school year 1952-1953.