

1 IN THE SENATE

BY SENATOR RIVERS

2

SENATE BILL NO. 129

3

IN THE LEGISLATURE OF THE TERRITORY OF ALASKA

4

TWENTY-THIRD SESSION

5

A BILL

6 For an Act entitled: "An Act providing for the establishment of
7 Boards of Equalization in municipalities,
8 public utility districts, and school dis-
9 tricts; prescribing the duties and powers
10 of such Boards; amending Secs. 16-1-65,
11 16-1-112, 16-1-124, 49-2-2, 49-2-28,
12 37-3-12, 37-3-23, 37-3-42, and 37-3-53,
13 ACLA 1949."

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

15 Section 1. Sec. 16-1-65, ACLA 1949 is hereby amended to
16 read as follows:

17 Sec. 16-1-65. MUNICIPAL ASSESSOR: ASSESSMENTS BY:
18 BOARD OF EQUALIZATION: REVIEW OF ASSESSMENTS BY BOARD. The
19 assessor shall once each year, at such time as the council
20 may direct, duly list and assess all the taxable property
21 of the city at its just and fair value. He shall file such
22 list and assessment as soon as completed with the municipal
23 clerk and with each member of the Board of Equalization of
24 such municipality, and shall serve a notice of the filing
25 of the same upon each person residing in the city whose
26 property has been assessed.

27 The Mayor, with the approval of the Council, shall
28 appoint three residents of the municipality and from the public
29 at large who are not city employees or members of the council, to

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1 a Board of Equalization for such community. Board members
2 shall be appointed and shall serve for overlapping terms
3 of three years; provided, however, that the terms of office
4 of the first members shall be as follows: All three members
5 shall be appointed within sixty days of the effective date
6 of this Act and the term of office of one member shall ex-
7 pire January 1, 1958, the term of another member shall
8 expire January 1, 1959, and the term of the remaining
9 member shall expire January 1, 1960. Vacancies on the
10 Board shall be filled by appointment by the Mayor, with
11 the approval of the Councils for the unexpired term. The
12 Board of Equalization shall [COUNCIL MAY] review and may
13 revise the assessment and may upon proper evidence, and
14 conformable to justice, increase or diminish the same in
15 individual cases, and when so revised and reviewed and
16 finally approved by the Board [COUNCIL], the same shall
17 be deemed to be the true basis for the levy and assessment
18 of taxes.

19 Sec. 2. Sec. 16-1-112, ACLA 1949 is hereby amended to
20 read as follows:

21 Sec. 16-1-112. TAXING POWERS EXERCISABLE BY GENERAL
22 ORDINANCE: UNIFORMITY OF ASSESSMENTS: CLASSIFICATION OF
23 PROPERTY. The council is empowered by general ordinance to
24 provide for the annual assessment and levy of such taxes
25 upon all real and personal property within the limits of
26 the corporation, and by such ordinance to fix the dates
27 when such assessment shall be annually made; the mode and
28 manner of assessment; when taxes may become due; to require
29 the listing of property subject to taxation by the owner or

1 agent thereof; to impose, fix and provide for the collection
2 of penalties for nonpayment of taxes when due, not to exceed
3 fifteen per centum of such tax, and to fix the rate of
4 interest on delinquent taxes and penalties, not to exceed
5 twelve per centum per annum, and provide for the collection
6 of such interest and penalties, and to provide generally
7 such other matters and things relative to the assessment
8 and levy of such taxes as may be proper. Provided, however,
9 all assessments shall be equal and uniform and based upon
10 the actual value of the property assessed, and prior to fix-
11 ing the rates of levy the Board of Equalization, appointed
12 by the SAID council, shall sit and publically (publicly)
13 equalize the valuation of the property assessed. Provided
14 further that the council by its general ordinance may classi-
15 fy the different kinds of property for tax purposes.

16 Sec. 3. Sec. 16-1-124, ACLA 1949 is hereby amended to read
17 as follows:

18 Sec. 16-1-124. OBJECTIONS TO ASSESSMENT, TAX OR ORDER
19 FOR SALE: FORM AND CONTENTS: HEARING: EVIDENCE: DECISION AND
20 RELIEF: COSTS. Any person owning, or having any legal or
21 equitable interest in, or a lien upon any tract listed in
22 said duplicate delinquent roll, may appear and present at
23 the time of hearing before the court, his objection to, and
24 contest the validity of the assessment or tax on such pro-
25 perty, or the granting of the order of the sale thereof.
26 Such objection shall be in writing and specify the grounds
27 of objection to the assessment or tax on the particular
28 tract represented in such objection and the court will hear
29 and determine such objection and render such decision thereon

1 as may be legal and just. At such hearing the duplicate
2 tax roll shall be prima facie evidence of the regularity
3 and legality of the assessment and levy of the tax and that
4 the same is unpaid, and no objection to the valuation of the
5 property, the manner of the assessment and levy of the tax,
6 or any of the subsequent proceedings shall be entertained
7 by the court which does not affect the substantial rights
8 of the party interposing the objection. If at such hearing
9 the court shall find any tract to be over valued, or over
10 assessed, the same shall be adjusted on equitable principles
11 so that the same shall bear its just proportion of the levy,
12 and the invalidity of the tax on any one tract shall not be
13 considered as a presumption of the illegality of the tax on
14 any other tract. Provided, however, that if the court shall
15 find that the assessment of the value of the property of the
16 party objecting was so high in proportion to other property
17 assessed as to satisfy the court that the city council or
18 Board of Equalization in equalizing the assessment had acted
19 in bad faith, the entire tax of the objecting party shall be
20 hold void, and the costs shall be taxed against the city.
21 If the court finds that the assessment was fairly made and
22 equalized according to law, the tax duly levied and not paid
23 when due and due notice given of the hearing as provided
24 herein, it will be sufficient to authorize the issuance of
25 the order of sale. Provided that where on account of objections
26 filed and hearing had the court may enter judgment against
27 and order sale of all property to the tax on which no objec-
28 tion is made before the determination of the subjects in
29 controversy.

Sec. 4. Sec. 49-2-2, ACLA 1949 is hereby amended to read

2 as follows:

3 Sec. 49-2-2. BOARD OF DIRECTORS: ORGANIZATION AND ELEC-
4 TION OF OFFICERS: QUORUM: APPOINTMENT OF ASSESSOR AND TAX COL-
5 LECTOR: OATH: APPOINTMENT OF BOARD OF EQUALIZATION. Each Pub-
6 lic Utility District, organized under the provisions of this
7 Act (Secs. 49-2-1--49-2-13, 49-2-21, 49-2-22, 49-2-28--49-2-31
8 herein) shall have a Board of five directors, to be elected
9 as hereinafter provided, who shall have the exclusive manage-
10 ment of all matters relating to public utilities in the Dis-
11 trict. Within ten (10) days after each annual election, the
12 Board shall organize and shall annually elect one of their
13 members as President, one as Treasurer and one as Clerk of
14 said Board. Three members shall constitute a quorum for the
15 transaction of any business of the Board, but no contract shall
16 be entered into or other business transacted without the af-
17 firmative vote of three members of the Board. The Board shall
18 also have the power, and it shall be its duty, to appoint from
19 its members, or from the residents of the incorporated Public
20 Utility District, an Assessor, who shall also act as Tax Collec-
21 ter, and who, before assuming the duties of his office, shall
22 take an oath in writing to honestly and faithfully discharge
23 the duties of his office.

24 The School Board shall appoint three residents of the
25 school district who are not members of the school board to a
26 Board of Equalization for such school district. Board of
27 Equalization members shall be appointed and shall serve for
28 overlapping terms of three years; Provided, however, that
29 the terms of office of the first members shall be as follows:

1 All three members shall be appointed within sixty days of
2 the effective date of this Act and the term of office of one
3 member shall expire January 1, 1958, the term of another
4 member shall expire January 1, 1959, and the term of the
5 remaining member shall expire January 1, 1960. Vacancies
6 on the Board of Equalization shall be filled by appointment
7 by the School Board for the unexpired term.

8 Sec. 5. Sec. 49-2-28, ACLA 1949 is hereby amended to read
9 as follows:

10 Sec. 49-2-28. TAXATION BY UTILITY DISTRICTS: ASSESS-
11 MENT, LEVY, COLLECTION AND EXPENDITURE: PROCEEDINGS FOR LEVY
12 AND ASSESSMENT: POWERS OF BOARD. The Board of Directors
13 shall have the power to levy and collect taxes upon all real
14 and personal property within the limits of the District, not
15 exempt therefrom by existing law, not to exceed one per
16 cent of the assessed value of such property in any one year.
17 All monies collected by such taxation shall be expended in
18 payment of the costs of levying and collecting such taxes;
19 in the payment of the cost of conducting Public Utility
20 District elections, and for the construction, operation and
21 maintenance of public improvements only. All taxes levied
22 and assessed shall be in conformity with a resolution adopted
23 by the majority of the whole Board of Directors and entered
24 on the minutes of the Board at a meeting called for that
25 purpose. At least ten days' notice shall be given by posting
26 notice of such meeting (in) at least three public places
27 in the District. Said Board is hereby empowered to prescribe
28 rules for the annual assessment and levy of taxes and by
29 such rules to fix the dates when such assessment shall be

1 annually made; the mode and manner of assessment; when the
2 taxes may become due; to require the listing of property
3 subject to taxation by owner or agent thereof; to impose,
4 fix and provide for collection of penalties for non-payment
5 of taxes when due, not to exceed ten per cent of such taxes;
6 to fix the rate of interest on delinquent taxes, not to
7 exceed ten per cent per annum; to provide for the collection
8 of such penalties and interest; and to provide generally
9 for such other matters and things relative to the assessment
10 and levy of such taxes as may be proper; provided, however,
11 that all assessments shall be equal and uniform and based
12 upon the actual cash value of the property assessed, and that
13 prior to fixing the rates of levy 7. The Board of
14 Equalization of the public utility district, appointed by
15 said Board of Directors, shall sit and publicly equalize the
16 valuation of the property assessed.

17 Sec. 6. Sec. 37-3-12, ACLA 1949 is hereby amended to read
18 as follows:

19 Sec. 37-3-12. SCHOOL BOARDS: ORGANIZATION: DUTIES AND
20 POWERS: ASSESSOR: BOARD OF EQUALIZATION. Each school dis-
21 trict organized under the provisions of this article shall
22 have a school board of five members to be elected as herein-
23 after provided, who shall have the exclusive management and
24 control of all school matters in the district, subject to
25 the Territorial school laws and to the rules and regulations
26 promulgated by the Commissioner of Education, with the
27 approval of the Governor, as President of the Territorial
28 Board of Education. Within seven days after each annual
29 election the board shall organize and shall annually elect

1 one of their members as president, one as treasurer, and one
2 as clerk of the board. Said board shall also have the power
3 and it shall be their duty to appoint from their number, or
4 from among the residents of the incorporated school district,
5 an assessor who shall also act as tax collector and who,
6 before assuming the duties of his office, shall take an oath
7 in writing to honestly and faithfully discharge the duties
8 of his office.

9 The School Board shall appoint three residents of the
10 school district who are not members of the school board to a
11 Board of Equalization for such school district. Board of
12 Equalization members shall be appointed and shall serve for
13 overlapping terms of three years; provided, however, that
14 the terms of office of the first members shall be as follows:
15 All three members shall be appointed within sixty days of
16 the effective date of this Act and the term of office of one
17 member shall expire January 1, 1958, the term of another
18 member shall expire January 1, 1959, and the term of the
19 remaining member shall expire January 1, 1960. Vacancies
20 on the Board of Equalization shall be filled by appointment
21 by the School Board for the unexpired term.

22 Sec. 7. Sec. 37-3-23, ACLA 1949 is hereby amended to read
23 as follows:

24 Sec. 37-3-23. BOARD EMPOWERED TO LEVY AND COLLECT
25 TAXES IN DISTRICT: DISPOSITION OF MONIES COLLECTED: ASSESS-
26 MENT: EQUALIZATION. The said school board shall have the
27 power to levy and collect taxes upon all real and personal
28 property within the limits of their respective districts not
29 exempt therefrom by existing law, not to exceed two per cent.

1 (2%) of the assessed value of such property in any one year.
2 All monies collected by such taxation shall be expended in
3 payment of the cost of levying and collecting such taxes;
4 in payment of the cost of conducting school elections, and
5 for the construction and maintenance of schools only. All
6 taxes levied and assessed shall be in conformity to a
7 resolution adopted by the majority of the whole school board
8 and entered on the minutes of the board at a meeting of the
9 board called for that purpose, of which meeting at least
10 ten days notice shall be given by posting notice of such
11 meeting in at least three public places in the district.
12 Said school board is hereby empowered to prescribe rules for
13 the annual assessment and levy of such taxes and by such
14 rules to fix the dates when such assessment shall be annually
15 made; the mode and manner of assessment; when the taxes may
16 become due; to require the listing of property subject to
17 taxation by the owner or agent thereof; to impose, fix and
18 provide for collection of penalties for non-payment of taxes
19 when due, not to exceed 15 percent of such taxes; to fix
20 the rate of interest on delinquent taxes, not to exceed 12
21 percent per annum; to provide for the collection of such
22 interest; and to provide generally such other matters and
23 things relative to the assessment and levy of such taxes as
24 may be proper; Provided, however, all assessments shall be
25 equal and uniform and based upon the actual cash value of the
26 property assessed, and that prior to fixing the rates of
27 levy, the Board of Equalization, appointed by said school
28 board, shall sit and publicly equalize the valuation of the
29 property assessed.

1 Sec. 8. Sec: 37-3-42, ACLA 1949 is hereby amended to read
2 as follows:

3 Sec. 37-3-42. SCHOOL BOARD: MANAGEMENT OF SCHOOL
4 MATTERS: ORGANIZATION AND ELECTION OF OFFICERS: ASSESSOR;
5 BOARD OF EQUALIZATION. Each school district organized
6 under the provisions of this Act shall have a school board
7 of five (5) members to be elected as hereinafter provided,
8 who shall have the exclusive management and control of school
9 matters in the district, subject to the Territorial School
10 Laws and regulations promulgated by the Commissioner of
11 Education and the Territorial Board of Education.

12 Within seven (7) days after each annual school board
13 election, which election shall be on the same day and at the
14 same time as the city election in such districts, the board
15 shall organize and annually elect one of its members as
16 president, one as treasurer, and one as clerk of the board.
17 Said board shall also have the power, and it shall be its
18 duty, to appoint from its number or from among the residents
19 of the Independent School District, as assessor who shall
20 place an assessed valuation on all real and personal property
21 outside the city included in the district and included within
22 the limits of the district in accordance with the valuations
23 of similar property within the city; and it shall further be
24 his duty to act as tax collector in the district located
25 outside the city, and who, before assuming the duties of his
26 office, shall take an oath in writing to honestly and faith-
27 fully discharge the duties of his office.

28 The School Board shall appoint three residents of the
29 school district who are not members of the school board to a

1 Board of Equalization for such school district. Board of
2 Equalization members shall be appointed and shall serve for
3 overlapping terms of three years; provided, however, that
4 the terms of office of the first members shall be as follows:
5 All three members shall be appointed within sixty days of
6 the effective date of this Act and the term of office of one
7 member shall expire January 1, 1958, the term of another
8 member shall expire January 1, 1959, and the term of the
9 remaining member shall expire January 1, 1960. Vacancies
10 on the Board of Equalization shall be filled by appointment
11 by the School Board for the unexpired term.

12 Sec. 9. Sec. 37-3-53, ACLA 1949 is hereby amended to read
13 as follows:

14 Sec. 37-3-53. BOARD TO PREPARE AND PRESENT BUDGET,
15 PROPORTIONING FUNDS BETWEEN CITY AND OUTSIDE TERRITORY;
16 LEVY AND COLLECTION OF TAXES; BOARD OF EQUALIZATION:
17 DELINQUENT TAXES, EXEMPTIONS. On or before the first day
18 of May each year the school board shall determine the amount
19 of funds needed for all school purposes for the following
20 school year beginning on the first of July and ending on,
21 June 30, the year following. It shall, at the same time,
22 determine the proportion of the funds to be raised within
23 the city and the proportion of the funds to be raised outside
24 the city based on assessed valuations. It shall then
25 present the budget to the city council for its approval or
26 rejection of the city's share of the budget. The city
27 council shall at its first meeting in May determine the
28 amount it shall set aside for school purposes as its share
29 of the school expenses for the school year and transmit

1 this information to the school board.

2 The board shall then determine the share to be paid by
3 that portion of the district lying outside the city and
4 levy the rate outside accordingly and this rate shall be
5 the same as is necessary to raise the city's share within
6 the city. All assessments shall be equal and uniform and
7 based upon actual cash value of the property assessed, and
8 prior to the imposition of a rate the Board of Equalization
9 appointed by the School Board shall sit and publicly equalize
10 the valuation of the property assessed. The city council
11 shall transmit to the treasurer of the school board on the
12 first day of each quarter of the fiscal school year one-fourth
13 of its share of the budget. The assessor appointed by the
14 school board shall, on or before the first of October of
15 each year collect one-half of the taxes due from all taxable
16 property outside the city limits but within the district
17 and, on or before the first of March of each year, he shall
18 collect the other half. The penalties for the non-payment
19 of taxes outside the city but within the district shall be
20 the same as is fixed by the city council for the non-payment
21 of taxes within the city and the rates of interest on
22 delinquent taxes shall also be the same. Residents of the
23 Independent School District living outside of the city limits
24 shall be allowed the same exemption of taxes as is permitted
25 within the city.

1 this information to the school board.

2 The board shall then determine the share to be paid by
3 that portion of the district lying outside the city and
4 levy the rate outside accordingly and this rate shall be
5 the same as is necessary to raise the city's share within
6 the city. All assessments shall be equal and uniform and
7 based upon actual cash value of the property assessed, and
8 prior to the imposition of a rate the Board of Equalization
9 appointed by the School Board shall sit and publicly equalize
10 the valuation of the property assessed. The city council
11 shall transmit to the treasurer of the school board on the
12 first day of each quarter of the fiscal school year one-fourth
13 of its share of the budget. The assessor appointed by the
14 school board shall, on or before the first of October of
15 each year collect one-half of the taxes due from all taxable
16 property outside the city limits but within the district
17 and, on or before the first of March of each year, he shall
18 collect the other half. The penalties for the non-payment
19 of taxes outside the city but within the district shall be
20 the same as is fixed by the city council for the non-payment
21 of taxes within the city and the rates of interest on
22 delinquent taxes shall also be the same. Residents of the
23 Independent School District living outside of the city limits
24 shall be allowed the same exemption of taxes as is permitted
25 within the city.