

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29

IN THE HOUSE

BY MR. SANDERS

HOUSE BILL NO. 139

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRD LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act allowing local property tax exemptions for certain nonprofit organizations."

\* Section 1. AS 29.05 is amended by adding a new section to read:

Sec. 29.05.024. LIMIT ON HOME RULE TAXING POWER. (a)

No home rule city may levy a tax on real and personal property

(1) used exclusively for religious, educational, or charitable purposes, or

(2) owned by a nonprofit organization not organized for business purposes, or an auxiliary of any such organization.

(b) A property, or a part of a property, described in (a) of this section from which rentals or profits are derived is not exempt from taxation under (a) of this section.

\* Sec. 2. AS 29.10.336(b) is amended to read:

(b) Property owned by the city or the state, the household furniture of the head of a family or a householder, not exceeding \$200 in value, all property used exclusively for religious, educational, or charitable purposes, the property of a [AN] nonprofit organization, not organized for business purposes, [WHOSE MEMBERSHIP IS COMPOSED ENTIRELY OF THE VETERANS OF A WAR OF THE UNITED STATES,] or the property of the auxiliary of any such organization, and all money on deposit, are exempt from taxation.

1 \* Sec. 3. AS 29.10.336(d) is amended to read:

2 (d) If a religious, educational, or charitable organiza-  
3 tion or a nonprofit organization not organized for business  
4 purposes, or the auxiliary of any such organization [A VET-  
5 ERANS' ORGANIZATION OR AUXILIARY] derives rentals or profits  
6 from its property, that property is not exempt.

7 \* Sec. 3. AS 29.15.220 is amended to read:

8 Sec. 29.15.220. GENERAL TAX FOR EDUCATIONAL AND MUNICI-  
9 PAL PURPOSES. The board of trustees may assess, levy and  
10 collect a general tax for school and municipal purposes, not  
11 to exceed three per cent of the assessed valuation upon all  
12 real and personal property and declare the tax with penalty  
13 a lien upon real and personal property, and enforce the col-  
14 lection of the lien by foreclosure, levy, distress and sale,  
15 in the manner provided for the collection of taxes in cities  
16 of the first class. The laws governing the levy and collec-  
17 tion of taxes in cities of the first class apply to cities  
18 of the second class. All property owned by the city and  
19 property used exclusively for religious, educational or  
20 charitable purposes, the property of a nonprofit organization  
21 not organized for business purposes, and the property of the  
22 auxiliary of any such organization from which the organiza-  
23 tion or auxiliary does not derive rentals or profits, and the  
24 household furniture of the head of a family or householder,  
25 not exceeding \$200 in value, is exempt from this tax. The  
26 laws exempting certain property from levy and sale on execu-  
27 tion do not apply to the levy or collection of this tax.