

1 IN THE HOUSE BY STEVENS AND METCALF

2 HOUSE BILL NO. 445

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the application of the
7 Alaska Industrial Incentive Act to political
8 subdivisions; and providing for an effective
9 date."

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

11 * Section 1. AS 43.25 is amended by adding new sections to read:

12 Sec. 43.25.053. COORDINATION WITH POLITICAL SUB-
13 DIVISION. During the period in which the department holds
14 hearings on an application, the department shall advise the
15 political subdivision affected by the application of the dates
16 and locations of the hearings to be held on the application.

17 Sec. 43.25.056. APPROVAL OF EXEMPTION BY POLITICAL
18 SUBDIVISION. If the department decides to grant an exemption
19 under this chapter, the exemption is not effective unless
20 approved by the governing body of the political subdivision
21 where the property of the business to be exempted is located,
22 except that if a political subdivision does not notify the
23 department of its approval or disapproval of the proposed
24 exemption within 30 days after the date of the department's
25 decision to grant the exemption, the exemption is effective.

26 * Sec. 2. AS 43.25 is amended by adding a new section to read:

27 Sec. 43.25.145. STATE TO REIMBURSE POLITICAL SUB-
28 DIVISIONS FOR LOST REVENUES. (a) The state shall, within 30
29 days after the close of an assessment year, pay to a political

1 subdivision an amount equal to the property tax revenues,
2 computed according to (c) of this section, which the political
3 subdivision could not collect during that assessment year
4 because of an exemption granted under this chapter after
5 July 1, 1966.

6 (b) The state shall, within 30 days after the close of
7 an assessment year, pay to a political subdivision an amount
8 equal to the property tax revenues, computed according to (c)
9 of this section, which the political subdivision could not
10 collect during that assessment year because of an exemption
11 granted before July 1, 1966, under this chapter or ch. 33
12 SLA 1953. The first state payment required under (b) of this
13 section is an amount equal to the property tax revenues which
14 the political subdivision could not collect during the
15 assessment year which closes after July 1, 1966.

16 (c) To determine the payments which the state must make
17 to political subdivisions under (a) and (b) of this section,
18 property tax revenues which a political subdivision could
19 not collect because of an exemption shall be computed on the
20 basis of the tax rate levied on real and personal property
21 within the political subdivision on that date on which an
22 application for exemption, subsequently granted, was submitted
23 to the department or its predecessor agency authorized to
24 grant exemptions. The tax rate levied on real and personal
25 property by the political subdivision on the date of appli-
26 cation for an exemption subsequently granted shall be used
27 to compute all state payments to the political subdivision
28 required under (a) or (b) of this section regardless of the
29 fact that a different tax rate may be in effect during a

1 current assessment year.

2 * Sec. 3. This Act takes effect July 1, 1966.

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