

Original Sponsor: Senator Owen

Offered: 3/22/65  
Referred: Judiciary

1 IN THE SENATE BY THE LOCAL GOVERNMENT COMMITTEE  
2 HOUSE CS FOR CS FOR SENATE BILL NO. 35  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 FOURTH LEGISLATURE - FIRST SESSION

5 A BILL  
6 For an Act entitled: "An Act relating to exclusion or exemption  
7 of personal property from local taxation;  
8 and providing for an effective date."

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

10 \* Section 1. AS 29.10.336(a) is amended to read:

11 (a) Property owned by the city or the state, the house-  
12 hold furniture and personal effects of the head of a family  
13 or a householder [NOT EXCEEDING \$200 IN VALUE], all property  
14 used exclusively for nonprofit religious, charitable, ceme-  
15 tery, hospital, or educational pruposes, the property of an  
16 organization, not organized for business purposes, whose  
17 membership is composed entirely of the veterans of a war of  
18 the United States, or the property of the auxiliary of any  
19 such organization, and all money on deposit are exempt from  
20 taxation.

21 \* Sec. 2. AS 29.10.342 is amended to read:

22 Sec. 29.10.342. PERSONAL PROPERTY EXCLUSION OR EXEMP-  
23 TION [OF HOUSEHOLD EFFECTS]. (a) In levying, assessing and  
24 collecting taxes for school and municipal purposes, the  
25 council, in addition to exempting property from taxation as  
26 required by sec. 335 of this chapter, may by ordinance  
27 ratified by a majority of the qualified voters voting on the  
28 question exclude personal property from taxation or classify  
29 and exempt from taxation any class or classes of personal

1 property [THE HOUSEHOLD FURNITURE AND EFFECTS OF THE HEAD OF  
2 A FAMILY OR A HOUSEHOLDER]. The ordinance shall specify the  
3 current total assessed valuation of the personal property or  
4 class of property exempted or excluded as well as the means  
5 proposed by the council to raise an amount of funds equal to  
6 the revenues to be lost by the exemption or exclusion.

7 (b) The governing body of a home rule or general law  
8 city which on the effective date of this Act exempts or  
9 excludes personal property from taxation may continue the  
10 exemptions or exclusions without adopting an ordinance as  
11 required by (a) of this section. However, if the means used  
12 by the council to replace the revenues lost by the exemptions  
13 or exclusions is in whole or in part an increased tax levy  
14 which has not received voter approval, the council shall  
15 specify by ordinance ratified by a majority of the qualified  
16 voters voting on the question the means used or proposed to  
17 be used to replace the lost revenues. Should the qualified  
18 voters voting on the question twice disapprove the means used  
19 or proposed to be used to replace the lost revenues, the  
20 exemptions or exclusions terminate at the end of the fiscal  
21 year in which disapproved. If exclusions or exemptions in  
22 effect on the effective date of this Act terminate as pro-  
23 vided in this subsection or are subsequently repealed by  
24 ordinance, they may not be granted subsequently in whole or  
25 in part except by adoption of an ordinance as required by  
26 (a) of this section.

27 \* Sec. 3. AS 07.15.320(c) is amended to read:

28 (c) A home rule or general law city shall have the same  
29 power to grant exemptions or exclude property within the city

1 from borough taxes that it has as to city taxes, provided  
2 that the exemptions or exclusions have been adopted as to  
3 city taxes and further provided that the city appropriate to  
4 the borough sufficient monies to equal revenues lost by the  
5 borough because of the exemptions or exclusions, the amount  
6 to be determined annually by the assembly without weighted  
7 voting.

8 \* Sec. 4. AS 29.08 is amended by adding a new section to read:

9 Sec. 29.08.015. LIMIT ON HOME RULE TAXING POWER.

10 AS 29.10.342, relating to exemption or exclusion of personal  
11 property from local taxation, applies to home rule cities.

12 \* Sec. 5. AS 07 is amended by adding a new chapter to read:

13 CHAPTER 12. HOME RULE BOROUGHS.

14 ARTICLE 1. TAXATION.

15 Sec. 07.12.015. LIMIT ON HOME RULE TAXING POWER. The  
16 provisions of AS 29.10.342, relating to exclusion and  
17 exemption of personal property from local taxation, apply to  
18 home rule boroughs in granting exemptions and exclusions in  
19 the manner provided for first class cities.

20 \* Sec. 6. AS 29.10.339 is repealed.

21 \* Sec. 7. This Act takes effect on the day after its passage  
22 and approval or on the day it becomes law without such approval.

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