

Original Sponsors: Boardman  
and Stevens

Offered: 2/21/67  
Referred: Finance

1 IN THE HOUSE

BY THE LOCAL GOVERNMENT COMMITTEE

2 CS FOR HOUSE BILL NO. 46

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska Industrial Incentive  
7 Act; and providing for an effective date."

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

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

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

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

23 Sec. 43.25.145. STATE TO REIMBURSE POLITICAL SUBDIVISIONS FOR  
24 LOST REVENUES. (a) Applying the tax rate designated in (b) of this  
25 section, the state shall pay to a political subdivision an amount equal  
26 to the property tax revenues lost by the political subdivision each  
27 year as a result of exemptions granted for that year under the provisions  
28 of this chapter. Payments shall be made annually during July and shall  
29

1 be based in each case on the value of the property exempted as of  
2 January 1 of the previous calendar year. Payments shall be made with  
3 respect to exemptions granted under this chapter or ch. 33, SLA 1953  
4 and granted both before and after July 1, 1967. The first state pay-  
5 ments on exemptions granted before July 1, 1967, shall be based in  
6 each case on the value of the property exempted as of January 1, 1966,  
7 and subsequent payments shall be based on the value for each succeeding  
8 year as in the case of exemptions granted after July 1, 1967.

9 (b) To determine the payments which the state must make to polit-  
10 ical subdivisions under (a) of this section, property tax revenues  
11 which a political subdivision could not collect because of an exemption  
12 shall be computed on the basis of the tax rate levied on real and per-  
13 sonal property within the political subdivision on that date on which  
14 an application for exemption, subsequently granted, was submitted to  
15 the department or its predecessor agency authorized to grant exemptions.  
16 The tax rate levied on real and personal property by the political sub-  
17 division on the date of application for an exemption subsequently  
18 granted shall be used to compute all state payments to the political  
19 subdivision required under (a) of this section regardless of the fact  
20 that a different tax rate may be in effect during a current year.

21 \* Sec. 2. AS 43.25.110 is amended to read:

22 Sec. 43.25.110. TERMINATION DATE FOR EXEMPTION APPLICATIONS.  
23 Applications for tax exemptions under this chapter shall be received  
24 by the department until midnight of June 30, 1968 [1967], but not after  
25 that date.

26 \* Sec. 3. This Act takes effect July 1, 1967.  
27  
28  
29