

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 SENATE BILL NO. 458

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to municipal property taxing powers."

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

8 * Section 1. AS 29.53.055 is amended to read:

9 Sec. 29.53.055. NO LIMITATION ON TAXES TO PAY BONDS. The limita-
10 tions provided for in secs. 45 or 50 of this chapter do not apply to
11 taxes levied or pledged to pay or secure the payment of the principal
12 and interest on bonds. Taxes to pay or secure the payment of principal
13 and interest on bonds may be levied without limitation as to rate or
14 amount. This section applies only in the event of default or pending
15 default on outstanding bonds and may not be used as a basis for issuing
16 bonds repayable only by exceeding the limitations. A taxpayer may
17 bring an action in superior court to enjoin issuance of bonds in viola-
18 tion of this section.

19 * Sec. 2. AS 29.58.180(a) is amended to read:

20 (a) The full faith and credit of a municipality are pledged for
21 the payment of principal and interest on general obligation bonds.
22 Subject to AS 29.53.055, the [THE] municipality may levy ad valorem
23 taxes for payment without limitation of rate or amount.
24
25
26
27
28
29