

Introduced: 1/19/76  
Referred: Community and  
Regional Affairs

1 IN THE SENATE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2 SENATE BILL NO. 529 am

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to property tax exemptions; and pro-  
7 viding for an effective date."

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

9 \* Section 1. AS 29.53.020(g) is amended to read:

10 (g) The state shall reimburse a borough or city, as appropriate,  
11 for the real property tax revenues lost to it by the operation of (e)  
12 of this section. However, reimbursement will be made to a borough or  
13 city for revenue lost to it only to the extent that the loss exceeds  
14 an exemption which was granted by the borough or city, or which upon  
15 proper application by an individual would have been granted by the  
16 borough or city, under sec. 25(a) of this chapter.

17 \* Sec. 2. AS 29.53.020(h) is amended to read:

18 (h) Except as provided in (g) of this section, nothing [NOTHING]  
19 in (e)--(i) of this section affects similar exemptions from property  
20 taxes granted by municipalities on September 10, 1972 or prevents  
21 municipalities from granting similar exemptions by ordinance as  
22 provided in sec. 25 of this chapter. [HOWEVER, UNDER (e)--(i) OF THIS  
23 SECTION ONLY THE AMOUNT OF REVENUE LOST TO THE MUNICIPALITY BY REASON  
24 OF THE EXEMPTION AUTHORIZED IN THOSE PROVISIONS MAY BE REIMBURSED TO  
25 THE MUNICIPALITY BY THE STATE.]

26 \* Sec. 3. AS 29.53.035(a) is amended to read:

27 (a) Farm use lands included in a farm unit and not dedicated or  
28 being used for nonfarm purposes shall be assessed on the basis of full  
29 and true value for farm use, and shall not be assessed as if sub-

1 divided or used for some other nonfarm purpose. The assessor shall  
2 maintain records valuing the farm use land for both full and true  
3 value and farm use value. Should the farm use land be sold, leased,  
4 or otherwise disposed of [ , ] for uses incompatible with farm use  
5 [OTHER THAN FARM USE PURPOSES] or be converted to a use incompatible  
6 with farm use [NONFARM USE] by the owner, the owner shall be liable to  
7 pay an amount equal to the additional tax at the current mill levy  
8 together with eight [FIVE] per cent interest for the preceding seven  
9 years, as though the land had not been assessed for farm use purposes.  
10 Payment by the owner shall be made to the state to the extent of its  
11 reimbursement for revenue loss under (e) of this section for the  
12 preceding seven years. The balance of the payment shall be made to the  
13 city or borough.

14 \* Sec. 4. Section 3 of this Act is retroactive to January 1, 1975.

15 \* Sec. 5. This Act takes effect immediately in accordance with AS 01.-  
16 10.070(c).