

1 IN THE SENATE

BY ORSINI

2 SENATE BILL NO. 614

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act providing for assessment, levy and collection  
7 of a tax on developed land within the unorganized  
8 borough; and providing for an effective date."

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

10 \* Section 1. AS 29.03 is amended by adding new sections to read:

11 ARTICLE 2. ASSESSMENT AND TAXATION.

12 Sec. 29.03.100. AD VALOREM TAX ON DEVELOPED LAND WITHIN BOROUGH.

13 (a) An annual tax of 10 mills is levied each tax year, beginning  
14 January 1, 1977, on the full and true value of taxable real property  
15 located in the unorganized borough and outside home rule or first class  
16 cities.

17 (b) The following property is exempt from the tax levied under (a)  
18 of this section:

19 (1) unimproved land;

20 (2) real property required to be exempt from local taxation  
21 under AS 29.53.020 and exempted by a second class city under AS 29.53.-  
22 025(a);

23 (3) real property subject to, or exempt from taxation under  
24 AS 43.56 and 43.58.

25 Sec. 29.03.110. CREDIT AGAINST LEVY. (a) The mill levy under  
26 this chapter is reduced on property located within a second class city  
27 by the number of mills levied on real property by the city and

28 (1) four mills if the city levies a sales tax at a rate  
29 greater than one per cent and not over two per cent; or

1 (2) six mills if the city levies a sales tax greater than two  
2 per cent and less than three per cent.

3 (b) If the total mill credit under (a) of this section exceeds 10  
4 mills or if the sales tax levied by the city is three per cent or  
5 greater there is no levy under this chapter.

6 Sec. 29.03.120. PROPERTY EXEMPT FROM EXECUTION SUBJECT TO TAX.  
7 Laws exempting certain real property from execution under AS 09 do not  
8 exempt the property from the tax levied under sec. 100(a) of this chap-  
9 ter.

10 Sec. 29.03.130. ASSESSMENT. Property subject to the tax levied  
11 under sec. 100(a) of this chapter shall be assessed by the state asses-  
12 sor in the manner provided in AS 29.53.030 - 29.53.040, 29.53.060(a) and  
13 29.53.070 - 29.53.130 for assessment of real property in organized  
14 boroughs. The state assessor shall exercise the functions of the local  
15 assessor and may require returns as authorized to the assembly in  
16 AS 29.53.070(a). Insofar as he determines it practicable in ascertain-  
17 ing values for the tax levied under sec. 100(a) of this chapter, the  
18 assessor may accept the final assessment figures certified by the local  
19 assessor of a city in the unorganized borough on property in the city  
20 subject to the tax.

21 Sec. 29.03.140. EQUALIZATION. (a) To hear appeals from determi-  
22 nations of the assessor under sec. 120 of this chapter, the commissioner  
23 of community and regional affairs shall appoint at least five qualified  
24 persons to serve at his pleasure as state assessment review officers.  
25 At least one officer shall be appointed from each of the four judicial  
26 districts and shall be assigned annually to hear assessment appeals at  
27 appropriate locations in a district, in the same manner as provided for  
28 board of equalization hearings under AS 29.53.140 and such additional  
regulations as the department may prescribe.

1 (b) State assessment review officers receive no compensation but  
2 are entitled to per diem and travel expenses authorized by law for  
3 boards.

4 Sec. 29.03.150. COLLECTION. The tax levied under sec. 100(a) of  
5 this chapter is payable in full to the Department of Revenue on Septem-  
6 ber 30 of the tax year. A penalty of ten per cent shall be added to  
7 delinquent taxes and interest at the rate of eight per cent a year shall  
8 accrue on all unpaid taxes, excluding penalties, from the due date until  
9 paid in full.

10 Sec. 29.03.160. TAX LIEN AND ENFORCEMENT. (a) The tax levied  
11 under sec. 100(a) of this chapter and interest and penalty set out in  
12 sec. 150 of this chapter are liens upon the property assessed and taxed.  
13 With respect to property located outside a city of the borough, the  
14 liens are prior and paramount to all other liens or encumbrances against  
15 the property assessed. With respect to property located in cities of  
16 the unorganized borough, the liens are prior to all liens and encum-  
17 brances against the property assessed except liens for taxes levied by  
18 the city.

19 (b) Enforcement of the lien of the tax levied under sec. 100(a) of  
20 this chapter shall be carried out in the same manner and with the same  
21 effect as provided for enforcement of property tax liens under AS 34.-  
22 10.070 - 34.10.220.

23 Sec. 29.03.170. PROCEEDS OF TAX. Money collected under secs.  
24 100 - 200 of this chapter shall be deposited in a special unorganized  
25 borough tax account within the general fund. An amount equal to the net  
26 amount of revenue derived under secs. 100 - 200 of this chapter in the  
27 preceding year is authorized to be appropriated for the benefit of the  
28 unorganized borough.

29 Sec. 29.03.180. FALSE STATEMENT. A person who knowingly makes a

1 false statement in a return required under secs. 100 - 200 of this  
2 chapter as to the amount, location, kind or value of property subject to  
3 taxation with intent to evade the taxation is guilty of a misdemeanor  
4 and upon conviction is punishable by a fine of not more than \$500,  
5 or by imprisonment for not more than five days, or by both, together  
6 with the costs of prosecution.

7 Sec. 29.03.190. REGULATIONS. The Department of Community and  
8 Regional Affairs and the Department of Revenue may adopt regulations as  
9 appropriate to carry out their respective duties under secs. 100 - 200  
10 of this chapter.

11 Sec. 29.03.200. DEFINITIONS. In secs. 100 - 200 of this chapter

12 (1) "real property" means property as defined in AS 29.78.-  
13 010(13);

14 (2) "unimproved land" means land with respect to which the  
15 state assessor determines that no current physical addition or altera-  
16 tion exists which enhances the utility, value, or income-producing  
17 potential of the land.

18 \* Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-  
19 070(c).