

Introduced: 2/10/77
Referred: Community &
Regional Affairs and Finance

1 IN THE HOUSE

BY PARR

2 HOUSE BILL NO. 202

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act providing for assessment, levy and collection
7 of a tax on developed land in the unorganized borough;
8 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 IN BOROUGH. (a)

13 An annual tax is levied each tax year, beginning January 1, 1978, on
14 the full and true value of taxable real property located in the unor-
15 ganized borough which is outside home rule or first class cities.

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

- 18 (1) unimproved land;
19 (2) real property exempt from taxation under AS 29.53.020;
20 (3) real property exempted by a second class city under
21 AS 29.53.025(a);
22 (4) real property subject to or exempt from taxation under
23 AS 43.56 and 43.58.

24 Sec. 29.03.110. AMOUNT OF TAX LEVIED. The mill rate levied under
25 sec. 100 of this chapter shall be equal to the average of the mill rates
26 levied in boroughs in the state for support of the borough school
27 districts on January 1 of the preceding year, as determined by the com-
28 missioner of revenue.

29 Sec. 29.03.120. PROPERTY EXEMPT FROM EXECUTION SUBJECT TO TAX.

1 Laws exempting certain real property from execution under AS 09 do not
2 exempt the property from the tax levied under sec. 100(a) of this chap-
3 ter.

4 Sec. 29.03.130. ASSESSMENT. (a) Property subject to the tax
5 levied under sec. 100(a) of this chapter shall be assessed by the state
6 assessor in the manner provided in AS 29.53.030 - 29.53.040, 29.53.-
7 060(a), and 29.53.070 - 29.53.130 for assessment of real property in
8 organized boroughs. The state assessor shall exercise the functions of
9 the local assessor and may require returns authorized under AS 29.53.-
10 070(a).

11 (b) The assessor has discretion to accept the final assessment
12 figures certified by the assessor of a city in the unorganized borough
13 on property in the city subject to the tax.

14 (c) Reassessment shall be undertaken on a three-year schedule.

15 Sec. 29.03.140. EQUALIZATION. (a) The commissioner of community
16 and regional affairs shall appoint qualified persons to serve as state
17 assessment review officers. At least one officer shall be appointed
18 from each of the four judicial districts, and a panel of three assess-
19 ment review officers shall be assigned to hear, at appropriate locations
20 in a district, assessment appeals from determinations of the assessor
21 under sec. 130 of this chapter and to prepare proposed decisions for
22 adoption by the commissioner.

23 (b) State assessment review officers serve at the pleasure of the
24 commissioner and receive no compensation but are entitled to per diem
25 and travel expenses authorized by law for boards.

26 Sec. 29.03.150. PROCEDURES. The commissioner shall adopt regula-
tions which are generally consistent with the procedures established by
AS 29.53.140 for the appeal hearings held under sec. 140 of this chap-
ter.

1 Sec. 29.03.160. COLLECTION. The tax levied under sec. 100(a) of
2 this chapter is payable in full to the Department of Revenue on Septem-
3 ber 30 of the tax year. A penalty of ten per cent shall be added to
4 delinquent taxes, and interest at the rate of eight per cent a year
5 shall accrue on all unpaid taxes, excluding penalties, from the due date
6 until paid in full.

7 Sec. 29.03.170. TAX LIEN AND ENFORCEMENT. (a) The tax levied
8 under sec. 100(a) of this chapter and interest and penalty set out in
9 sec. 160 of this chapter are liens upon the property assessed and taxed.
10 With respect to property located outside a city of the borough, the
11 liens are prior and paramount to all other liens or encumbrances against
12 the property assessed. With respect to property located in cities of
13 the unorganized borough, the liens are prior to all liens and encum-
14 brances against the property assessed except liens for taxes levied by
15 the city.

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

20 Sec. 29.03.180. FALSE STATEMENT. A person who knowingly makes a
21 false statement in a return required under secs. 100 - 230 of this
22 chapter as to the amount, location, kind, value or other aspect of
23 property subject to taxation with intent to evade taxation is guilty of
24 a misdemeanor and upon conviction is punishable by a fine of not more
25 than \$500, or by imprisonment for not more than five days, or by both,
26 together with the costs of prosecution. Conviction under this section
27 does not discharge or mitigate any tax, penalty, or interest due under
28 sec. 160 of this chapter.

29 Sec. 29.03.190. REGULATIONS. The Department of Community and

1 Regional Affairs and the Department of Revenue each may adopt regula-
2 tions as appropriate to carry out its respective duties under secs.
3 100 - 230 of this chapter.

4 Sec. 29.03.200. STATE BUDGETING. The costs to the state of the
5 program established under secs. 100 - 230 of this chapter are to be
6 budgeted separately from the present budgets of the departments con-
7 cerned.

8 Sec. 29.03.210. ANNUAL REPORT. The commissioner of revenue shall
9 make an annual report to the legislature of funds expended on the pro-
10 gram and the income derived from it.

11 Sec. 29.03.220. TRANSITIONAL MEASURES. The commissioner of
12 revenue shall grant to any municipality established as a borough or
13 established or reclassified as a city of the first class before
14 December 31 all taxes collected from the area in the municipality during
15 that year. Funds granted under this section are in addition to any
16 funds payable to the new municipality under AS 43.18.010 - 43.18.045.

17 Sec. 29.03.230. DEFINITIONS. In secs. 100 - 230 of this chapter

18 (1) "real property" means property as defined in AS 29.78.-
19 010(13);

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

24 * Sec. 2. This Act takes effect July 1, 1977.