

Introduced: 1/24/79
Referred: Community & Regional
Affairs and Finance

1 IN THE HOUSE

BY PARR

2 HOUSE BILL NO. 9

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH 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, 1980, on the
14 full and true value of taxable real property located in the unorganized
15 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 AS
21 29.53.025(a);

22 (4) real property subject to or exempt from taxation under AS
23 43.56 and 43.58.

24 (c) Improvements to land that is owned by a village corporation
25 and the land necessarily associated with the improvements that are owned
26 by a village corporation are exempt from taxation under AS 29.03.100(a)
27 for five years from January 1, 1980.

28 Sec. 29.03.110. AMOUNT OF TAX LEVIED. The mill rate levied under
29 AS 29.03.100(a) shall be equal to the average of the mill rates levied

1 in boroughs in the state for support of the borough school districts on
2 January 1 of the preceding year, as determined by the commissioner of
3 revenue.

4 Sec. 29.03.120. PROPERTY EXEMPT FROM EXECUTION SUBJECT TO TAX.
5 Laws exempting certain real property from execution under AS 09 do not
6 exempt the property from the tax levied under AS 29.03.100(a).

7 Sec. 29.03.130. ASSESSMENT. (a) Property subject to the tax
8 levied under AS 29.03.100(a) shall be assessed by the state assessor in
9 the manner provided in AS 29.53.030 - 29.53.040, 29.53.060(a), and
10 29.53.070 - 29.53.130 for assessment of real property in organized
11 boroughs. The state assessor shall exercise the functions of the local
12 assessor and may require returns authorized under AS 29.53.070(a).

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

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

17 Sec. 29.03.140. EQUALIZATION. (a) The commissioner of community
18 and regional affairs shall appoint qualified persons to serve as state
19 assessment review officers. At least one officer shall be appointed
20 from each of the four judicial districts, and a panel of three assess-
21 ment review officers shall be assigned to hear, at appropriate locations
22 in a district, assessment appeals from determinations of the assessor
23 under AS 29.03.130 and to prepare proposed decisions for adoption by the
24 commissioner.

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

28 Sec. 29.03.150. PROCEDURES. The commissioner shall adopt regula-
29 tions which are generally consistent with the procedures established by

1 AS 29.53.140 for the appeal hearings held under AS 29.03.140.

2 Sec. 29.03.160. COLLECTION. The tax levied under AS 29.03.100(a)
3 is payable in full to the Department of Revenue on September 30 of the
4 tax year. A penalty of ten per cent shall be added to delinquent taxes,
5 and interest at the rate of eight per cent a year shall accrue on all
6 unpaid taxes, excluding penalties, from the due date until paid in full.

7 Sec. 29.03.170. TAX LIEN AND ENFORCEMENT. (a) The tax levied
8 under AS 29.03.100(a) and interest and penalty set out in AS 29.03.160
9 are liens upon the property assessed and taxed. With respect to
10 property located outside a city of the borough, the liens are prior and
11 paramount to all other liens or encumbrances against the property
12 assessed. With respect to property located in cities of the unorganized
13 borough, the liens are prior to all liens and encumbrances against the
14 property assessed except liens for taxes levied by the city.

15 (b) Enforcement of the lien of the tax levied under AS 29.03.-
16 100(a) shall be carried out in the same manner and with the same effect
17 as provided for enforcement of property tax liens under AS 34.10.070 -
18 34.10.220.

19 Sec. 29.03.180. FALSE STATEMENT. A person who knowingly makes a
20 false statement in a return required under AS 29.03.100 - 29.03.230 as
21 to the amount, location, kind, value or other aspect of property subject
22 to taxation with intent to evade taxation is guilty of a misdemeanor and
23 upon conviction is punishable by a fine of not more than \$500, or by
24 imprisonment for not more than five days, or by both, together with the
25 costs of prosecution. Conviction under this section does not discharge
26 or mitigate any tax, penalty, or interest due under AS 29.03.160.

27 Sec. 29.03.190. REGULATIONS. The Department of Community and
28 Regional Affairs and the Department of Revenue each may adopt regula-
29 tions as appropriate to carry out its respective duties under AS

1 29.03.100 - 29.03.230.

2 Sec. 29.03.200. STATE BUDGETING. The costs to the state of the
3 program established under AS 29.03.100 - 29.03.230 are to be budgeted
4 separately from the present budgets of the departments concerned.

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

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

14 Sec. 29.03.230. DEFINITIONS. In AS 29.03.100 - 29.03.230

15 (1) "real property" means property as defined in AS 29.78.-
16 010(13);

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

21 * Sec. 2. This Act takes effect January 1, 1980.
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