

Original sponsor: Rules Committee  
by request

Offered: 5/12/80  
Referred: Finance

1 IN THE SENATE

BY THE JUDICIARY COMMITTEE

2

CS FOR SENATE BILL NO. 582

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

ELEVENTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act relating to the assessment, levy and collection  
7 of property taxes on transient aircraft; and providing  
8 for an effective date."

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

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\* Section 1. AS 44.25.020 is amended by adding a new paragraph to read:

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(5) assess the value of transient aircraft in accordance with

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AS 29.53.038.

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\* Sec. 2. AS 29.53 is amended by adding a new section to read:

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Sec. 29.53.038. TRANSIENT AIRCRAFT. (a) The Department of Revenue

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shall assess the value of transient aircraft that is not exempt from

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property taxes under AS 29.53.162(c). The Department of Revenue shall

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determine the value of aircraft assessed under this section at its full

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and true value and shall determine the value of the aircraft as of

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January 1 annually.

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(b) The Department of Revenue may require by notice each person

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having ownership or control of an interest in aircraft assessed under

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this section to submit a return in the form prescribed by the Department

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of Revenue, based on values existing on January 1 of each year. The

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Department of Revenue by written notice may require a person to provide

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additional information within 30 days of the notice.

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(c) The Department of Revenue may investigate aircraft on which a

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return has been filed or on which no return has been filed. In either

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case, the department may make its own valuation of the aircraft, which

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is prima facie evidence of full and true value. An employee or agent of

1 the Department of Revenue may enter an aircraft as necessary for the in-  
2 vestigation during reasonable hours and may examine appropriate records.  
3 When requested by an employee or agent of the Department of Revenue, the  
4 owner of the aircraft shall furnish to the employee or agent reasonable  
5 assistance required for the investigation. If refused entry, the Depart-  
6 ment of Revenue may seek a court order to compel entry. For the purpose  
7 of the investigation, the owner of the aircraft or his representative  
8 may be required to present himself for examination under oath by the  
9 Department of Revenue.

10 (d) The Department of Revenue shall prepare annually the assess-  
11 ment roll for taxation of transient aircraft by municipalities. The  
12 assessment roll shall contain

- 13 (1) a description of all aircraft assessed under this section;
- 14 (2) the assessed value of the aircraft;
- 15 (3) the names and addresses of persons owning aircraft  
16 assessed under this section.

17 (e) On or before March 1 of each year, the Department of Revenue  
18 shall send to each owner of aircraft named in the assessment roll a  
19 notice of assessment, showing the assessed value of the aircraft.  
20 Notice of assessment is effective on the date of mailing.

21 (f) The Department of Revenue shall send to each municipality  
22 levying a property tax a copy of the notice of assessment on aircraft  
23 which is assessed under this section.

24 (g) A municipality or an owner of aircraft receiving an assessment  
25 notice may object to the assessment by advising the Department of Revenue  
26 in writing of the objections to the assessment within 20 days of the  
27 effective date of the notice.

28 (h) The Department of Revenue shall provide by regulation for  
29 notices of appeals to interested persons and municipalities.

1 (i) Following an objection, the Department of Revenue may adjust  
2 the assessment and the assessment roll. An adjustment based on an  
3 objection from a municipality or an owner of aircraft shall be made  
4 within 30 days of the effective date of the notice of assessment.

5 (j) After a ruling by the Department of Revenue on an appeal made  
6 under (g) of this section, the municipality or the owner of aircraft may  
7 appeal to the State Assessment Review Board. The appeal must be filed  
8 in writing within 50 days of the effective date of the notice of assess-  
9 ment. The State Assessment Review Board shall provide by regulation for  
10 notices of appeals to interested persons and municipalities.

11 (k) The State Assessment Review Board shall hear appeals filed  
12 under (i) of this section. A majority of the State Assessment Review  
13 Board constitutes a quorum required to transact business under this  
14 section. The State Assessment Review Board shall provide by regulation  
15 for notices of hearings to interested persons and municipalities. If an  
16 appellant fails to appear at the hearing, the State Assessment Review  
17 Board may proceed with the hearing in his absence. The appellant bears  
18 the burden of proof at a hearing under this subsection.

19 (l) The only grounds for adjustment of assessed value is proof of  
20 unequal, excessive or improper valuation or valuation not determined in  
21 accordance with the standards set out in this section, based on facts  
22 stated in a written appeal timely filed or proved at the hearing.

23 (m) The State Assessment Review Board shall certify its determina-  
24 tion of an appeal to the Department of Revenue within seven days of the  
25 hearing.

26 (n) A municipality or an owner of aircraft may appeal to the  
27 superior court for, and is entitled to, trial de novo of the action of  
28 the State Assessment Review Board.

29 (o) No later than June 1 of each year, the Department of Revenue

1 shall certify the final assessment roll.

2 (p) The Department of Revenue shall include aircraft omitted from  
3 the assessment roll on a supplementary assessment roll, using the proce-  
4 dures set out in this section for the original assessment roll.

5 (q) In this section, "transient aircraft" means

6 (1) aircraft with a gross operating weight of more than  
7 12,500 pounds used in commerce by an air carrier to furnish transport-  
8 ation to the public for compensation, hire or lease;

9 (2) equipment included in aircraft described in (1) of this  
10 subsection; and

11 (3) ground cargo handling and containerization equipment  
12 which can be transported in aircraft described in (1) of this subsection  
13 and which is so transported.

14 \* Sec. 3. AS 29.53 is amended by adding a new section to read:

15 Sec. 29.53.162. LEVY AND COLLECTION OF PROPERTY TAX ON TRANSIENT  
16 AIRCRAFT. (a) A municipality may levy and collect property tax on  
17 transient aircraft only under this section.

18 (b) A municipality may levy a property tax on transient aircraft  
19 by applying the rate of levy, determined under AS 29.53.170(b), to a  
20 value for all transient aircraft under the same ownership determined by

21 (1) adding the value of all transient aircraft owned by the  
22 same taxpayer; and

23 (2) multiplying the value determined under (1) of this sub-  
24 section by the ratio of the number of landings of transient aircraft  
25 owned by the taxpayer in the municipality levying the tax during the  
26 year preceding the assessment year to the total number of landings of  
27 all transient aircraft owned by the taxpayer.

28 (c) A municipality may, by ordinance, classify transient aircraft  
29 and exempt certain classes of transient aircraft from levy and collection

1 of a property tax under this section.

2 (d) In this section, "transient aircraft" means

3 (1) aircraft with a gross operating weight of more than  
4 12,500 pounds used in commerce by an air carrier to furnish transporta-  
5 tion to the public for compensation, hire or lease;

6 (2) equipment included in aircraft described in (1) of this  
7 subsection; and

8 (3) ground cargo handling and containerization equipment  
9 which can be transported in aircraft described in (1) of this subsection  
10 and which is so transported.

11 \* Sec. 4. Notwithstanding any other provisions of AS 29.53, an assessment  
12 return on transient aircraft filed with a municipality under AS 29.53.070 for  
13 the 1980 assessment year is valid for determining the tax due for that assess-  
14 ment year. If two or more municipalities levy a property tax on transient  
15 aircraft under AS 29.53 for the 1980 assessment year, the owner of the air-  
16 craft may ask the commissioner of revenue to determine the tax due to each  
17 municipality. Upon receipt of the request of the taxpayer, the commissioner  
18 of revenue shall apportion the tax due by applying to the assessment of  
19 transient aircraft reported to a municipality under AS 29.53.070 the amount  
20 determined under AS 29.53.162, added by sec. 3 of this Act.

21 \* Sec. 5. Notwithstanding any other provision of AS 29.53, an assessment  
22 return on transient aircraft filed with a municipality under AS 29.53.070 for  
23 an assessment year before 1980, is valid for determining the property tax due  
24 to that municipality for that prior assessment year.

25 \* Sec. 6. Sections 1 - 3 of this Act take effect January 1, 1981.

26 \* Sec. 7. Sections 4 - 7 of this Act take effect immediately in accord-  
27 ance with AS 01.10.070(c).  
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