

Introduced: 2/17/81
Referred: Community & Regional
Affairs and Finance

1 IN THE HOUSE

BY PHILLIPS AND MARTIN

2 HOUSE BILL NO. 166

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act providing for reimbursement for property taxes
7 levied by municipalities for school purposes; and
8 providing for an effective date."

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

10 * Section 1. AS 29.53.170(b) is amended to read:

11 (b) The assembly shall annually determine the rate of levy before
12 June 15. By July 1 the tax collector shall mail tax statements setting
13 out the levy for the operation of schools, the levy for school construc-
14 tion debt retirement, the levy for all other purposes, the dates when
15 taxes are payable and delinquent, and penalties and interest.

16 * Sec. 2. AS 29.53 is amended by adding new sections to read:

17 ARTICLE 6. REIMBURSEMENT OF PROPERTY TAXES
18 FOR SUPPORT OF SCHOOLS.

19 Sec. 29.53.500. REIMBURSEMENT OF PROPERTY TAX. (a) During each
20 calendar year, a resident is entitled to reimbursement for property
21 taxes which he has paid to a municipality for the operation of schools
22 and for retirement of school construction debt. The reimbursement
23 equals the assessed value of real property occupied by the resident as
24 his permanent place of abode, multiplied by the rate of levy made by
25 the municipality for the operation of schools and for school construc-
26 tion debt retirement, as set out by the municipality under AS 29.53.-
27 170(b).

28 (b) A resident who owns real property is eligible to receive
29 reimbursement for property taxes which he has paid to a municipality if

1 (1) he applies to the Department of Revenue for the reim-
2 bursement; and

3 (2) he presents, with his application, proof that the prop-
4 erty tax has been paid to the municipality.

5 Sec. 29.53.505. PROPERTY TAX EQUIVALENCY PAYMENT FOR SCHOOL
6 SUPPORT. A resident who rents real property is eligible for a tax
7 equivalency payment for real property taxes paid to a municipality for
8 real property which he rents. To determine payments under this subsec-
9 tion, the Department of Revenue shall calculate a property tax equiva-
10 lent percentage for each municipality which levies a general property
11 tax for the operation of schools and for school construction debt
12 retirement at the rate of one percent per mil of levy for the operation
13 of schools and for school construction debt retirement. The property
14 tax equivalent percentage applied to the annual rent paid by the resi-
15 dent equals the property tax equivalency payment payable under this
16 subsection. To obtain a tax equivalency payment, the resident shall
17 apply for the payment and shall submit with the application rental
18 receipts or, if rental receipts are not available, other evidence of
19 the amount of rent paid.

20 Sec. 29.53.510. DUTIES OF DEPARTMENT OF REVENUE. The Department
21 of Revenue shall

22 (1) adopt regulations under the Administrative Procedure Act
23 (AS 44.62) establishing procedures for submission of applications for
24 reimbursements under AS 29.53.500 and for payments under AS 29.53.505;

25 (2) annually request the legislature for appropriations for
26 reimbursements under AS 29.53.500 and for payments under AS 29.53.505;
27 and

28 (3) pay the reimbursements authorized by AS 29.53.500 and
29 the payments authorized by AS 29.53.505 from annual appropriations made

1 for that purpose.

2 * Sec. 3. AS 44.25.020 is amended by adding a new paragraph to read:

3 (5) administer the program of reimbursement for property
4 taxes paid for the operation of schools and for retirement of school
5 construction debt (AS 29.53.500 - 29.53.510).

6 * Sec. 4. AS 29.73.060 is amended by adding a new subsection to read:

7 (e) A resident may not obtain a property tax equivalency payment
8 under this section for the same year in which he applies for and
9 receives a property tax equivalency payment for school purposes under
10 AS 29.53.505.

11 * Sec. 5. This Act is retroactive to January 1, 1981, and authorizes
12 reimbursement of property taxes levied and collected by a municipality for
13 the operation of schools and for school construction debt retirement after
14 December 31, 1980.

15 * Sec. 6. This Act takes effect immediately in accordance with AS 01.10.-
16 070(c).