

Introduced: 1/27/86
Referred: Community & Regional
Affairs and Finance

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

1 IN THE HOUSE

2 HOUSE BILL NO. 518

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to municipal property taxation; and
7 providing for an effective date."

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

9 * Section 1. AS 29.45.030(a) is amended to read:

10 (a) The following property is exempt from general taxation:

11 (1) municipal, state, or federally owned property, except
12 that a private leasehold, contract, or other interest in the property
13 is taxable to the extent of the interest;

14 (2) household furniture and personal effects of members of
15 a [OF THE HEAD OF A FAMILY OR] household;

16 (3) property used exclusively for nonprofit religious,
17 charitable, cemetery, hospital, or educational purposes;

18 (4) property of a nonbusiness organization or its auxiliary
19 composed entirely of persons with 90 days or more of active service in
20 the armed forces of the United States whose conditions of service and
21 separation were other than dishonorable;

22 (5) money on deposit;

23 (6) the real property of certain residents of the state to
24 the extent and subject to the conditions provided in (e) of this sec-
25 tion;

26 (7) real property or an interest in real property that is
27 exempt from taxation under 43 U.S.C. 1620(d), as amended.

28 * Sec. 2. AS 29.45.060(b) is amended to read:

29 (b) An owner of farm use land must, to secure the assessment

1 under this section, apply to the assessor before May 15 of each year
2 in which the assessment is desired. The application must [SHALL] be
3 made upon forms prescribed by the state assessor for the use of the
4 local assessor, and must [SHALL] include information that may rea-
5 sonably be required to determine the entitlement of the applicant. If
6 the land is leased for farm use purposes, the applicant shall furnish
7 to the assessor a copy of the lease bearing the signatures of both
8 lessee and lessor along with the completed application. The applicant
9 shall furnish the assessor a copy of the lease covering the period for
10 which the deferment [EXEMPTION] is requested.

11 * Sec. 3. AS 29.45.060(c) is amended to read:

12 (c) In this section "farm use" means the use of land for profit
13 for raising and harvesting crops, for the feeding, breeding, and man-
14 agement of livestock, for dairying, or another agricultural use, or
15 any combination of these. To be farm use land, the owner or lessee
16 must be actively engaged in farming the land, and derive at least 10
17 percent of yearly gross income from the land. This section does not
18 apply to land for which the owner has granted, and has outstanding, a
19 lease or option to buy the surface rights. A property owner wishing
20 to file for farm use classification having no history of farm-related
21 income may submit a declaration of intent at the time of filing the
22 application with the assessor setting out the intended use of the land
23 and the anticipated percentage of income. An applicant using this
24 procedure shall file with the assessor before February 1 of the fol-
25 lowing year a notarized statement of the percentage of gross income
26 attributable to the land. Failure to make the filing required in this
27 subsection forfeits entitlement to the deferment [THE EXEMPTION].

28 * Sec. 4. This Act takes effect July 1, 1986.