

Offered: 3/21/86
Referred: Finance

Original sponsor: Rules/Governor

1 IN THE HOUSE

BY THE COMMUNITY AND REGIONAL
AFFAIRS COMMITTEE

2

CS FOR HOUSE BILL NO. 518 (C&RA)

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 certain municipal property tax
7 exemptions or deferments; and providing for an effective
8 date."

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

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

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

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

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

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

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

23 (5) money on deposit;

24 (6) the real property of certain residents of the state to
25 the extent and subject to the conditions provided in (e) of this section;
26

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

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

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

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

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

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