

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) am

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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, deferments, and procedures; 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 29.45.010 is amended by adding a new subsection to

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read:

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(d) All municipal bodies shall make procedures, restrictions,

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conditions, formulas, or other methods used to assess a property tax

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available to the public on request under reasonable rules during

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regular business hours.

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\* Sec. 2. AS 29.45.030(a) is amended to read:

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

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(1) municipal, state, or federally owned property, except

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that a private leasehold, contract, or other interest in the property

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is taxable to the extent of the interest;

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(2) household furniture and personal effects of members of

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a [OF THE HEAD OF A FAMILY OR] household;

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(3) property used exclusively for nonprofit religious,

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charitable, cemetery, hospital, or educational purposes;

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(4) property of a nonbusiness organization or its auxiliary

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composed entirely of persons with 90 days or more of active service in

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the armed forces of the United States whose conditions of service and

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separation were other than dishonorable;

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(5) money on deposit;

1           (6) the real property of certain residents of the state to  
2 the extent and subject to the conditions provided in (e) of this sec-  
3 tion;

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

6 \* Sec. 3. AS 29.45.060(b) is amended to read:

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

18 \* Sec. 4. AS 29.45.060(c) is amended to read:

19           (c) In this section "farm use" means the use of land for profit  
20 for raising and harvesting crops, for the feeding, breeding, and man-  
21 agement of livestock, for dairying, or another agricultural use, or  
22 any combination of these. To be farm use land, the owner or lessee  
23 must be actively engaged in farming the land, and derive at least 10  
24 percent of yearly gross income from the land. This section does not  
25 apply to land for which the owner has granted, and has outstanding, a  
26 lease or option to buy the surface rights. A property owner wishing  
27 to file for farm use classification having no history of farm-related  
28 income may submit a declaration of intent at the time of filing the  
29 application with the assessor setting out the intended use of the land

1 and the anticipated percentage of income. An applicant using this  
2 procedure shall file with the assessor before February 1 of the fol-  
3 lowing year a notarized statement of the percentage of gross income  
4 attributable to the land. Failure to make the filing required in this  
5 subsection forfeits entitlement to the deferment [THE EXEMPTION].

6 \* Sec 5. AS 29.45.210(b) is amended to read:

7 (b) The assessor [APPELLANT] bears the burden of proof. The  
8 only grounds for adjustment of assessment are proof of unequal,  
9 excessive, improper, or under valuation based on facts that are stated  
10 in a valid written appeal or proven at the appeal hearing, If a  
11 valuation is found to be too low, the board of equalization may raise  
12 the assessment.

13 \* Sec. 6. This Act takes effect July 1, 1986.