

Introduced: 4/5/89  
Referred: Community & Regional  
Affairs and Labor & Commerce

6-0951A

1 IN THE HOUSE

BY GRUENBERG, ELLIS, LARSON  
AND ZAWACKI

2

HOUSE BILL NO. 272

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

SIXTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to an optional exemption from, or  
7 deferral of payment of, municipal taxes."

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

9 \* Section 1. AS 29.45.050 is amended by adding a new subsection to  
10 read:

11 (m) A municipality may by ordinance partially or totally exempt  
12 all or some types of economic development property from taxation for  
13 up to five years. A municipality may by ordinance permit deferral of  
14 payment of taxes on all or some types of economic development property  
15 for up to five years. An ordinance adopted under this subsection must  
16 include specific eligibility requirements and require a written appli-  
17 cation for each exemption or deferral. In this subsection "economic  
18 development property" means real or personal property that

19 (1) has not previously been taxed by the municipality;

20 (2) is used in a trade or business in a way that

21 (A) creates employment in the municipality;

22 (B) generates sales outside of the municipality of  
23 goods or services produced in the municipality; or

24 (C) materially reduces the importation of goods or  
25 services from outside the municipality; and

26 (3) has not been used in the same trade or business in  
27 another municipality for at least six months before the application  
28 for deferral or exemption is filed; this paragraph does not apply to  
29 inventories.