

Offered: 4/28/89
Referred: Labor & Commerce

6-0951E

Original sponsors: Gruenberg, Ellis,
Larson, et al.

1 IN THE HOUSE BY THE COMMUNITY AND REGIONAL
AFFAIRS COMMITTEE
2 CS FOR HOUSE BILL NO. 272 (C&RA)
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 optional exemptions 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 new subsections to read:
10 (m) A municipality may by ordinance partially or totally exempt
11 all or some types of economic development property from taxation for
12 up to five years. A municipality may by ordinance permit deferral of
13 payment of taxes on all or some types of economic development property
14 for up to five years. An ordinance adopted under this subsection must
15 include specific eligibility requirements and require a written appli-
16 cation for each exemption or deferral. In this subsection "economic
17 development property" means real or personal property that
18 (1) has not previously been taxed by the municipality;
19 (2) is used in a trade or business in a way that
20 (A) creates employment in the municipality;
21 (B) generates sales outside of the municipality of
22 goods or services produced in the municipality; or
23 (C) materially reduces the importation of goods or
24 services from outside the municipality; and
25 (3) has not been used in the same trade or business in
26 another municipality for at least six months before the application
27 for deferral or exemption is filed; this paragraph does not apply to
28 inventories.
29 (n) A municipality may by ordinance classify as to type

1 inventories intended for export outside the state and partially or
2 totally exempt all or some types of those inventories from taxation.
3 The ordinance may provide for different levels of exemption for dif-
4 ferent classifications of inventories. An ordinance adopted under
5 this subsection must include specific eligibility requirements and
6 require a written application for each exemption.