

Amended: 5/3/89
Offered: 4/28/89
Referred: Labor & Commerce

6-0951E

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

1 IN THE HOUSE
2 CS FOR HOUSE BILL NO. 272 (C&RA) am
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, and
7 deferral of payment of, municipal taxes on economic
8 development property, and to an optional exemption
9 from municipal taxes on inventories intended for
10 export outside the state."
11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:
12 * Section 1. AS 29.45.050 is amended by adding new subsections to read:
13 (m) A municipality may by ordinance subject to voter approval
14 partially or totally exempt all or some types of economic development
15 property from taxation for up to five years. A municipality may by
16 ordinance permit deferral of payment of taxes on all or some types of
17 economic development property for up to five years. An ordinance
18 adopted under this subsection must include specific eligibility re-
19 quirements and require a written application for each exemption or
20 deferral. In this subsection "economic development property" means
21 real or personal property, including developed property conveyed under
22 the Alaska Native Claims Settlement Act as amended (43 U.S.C. Sections
23 1601 et. seq.), that
24 (1) has not previously been taxed by the municipality;
25 (2) is used in a trade or business in a way that
26 (A) creates employment in the municipality;
27 (B) generates sales outside of the municipality of
28 goods or services produced in the municipality; or
29 (C) materially reduces the importation of goods or

1 services from outside the municipality; and

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

6 (n) A municipality may by ordinance subject to voter approval
7 classify as to type inventories intended for export outside the state
8 and partially or totally exempt all or some types of those inventories
9 from taxation. The ordinance may provide for different levels of
10 exemption for different classifications of inventories. An ordinance
11 adopted under this subsection must include specific eligibility re-
12 quirements and require a written application for each exemption.