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Referred: Community & Regional
Affairs, Transportation and
Finance

6-0775A

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2

HOUSE BILL NO. 294

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 taxation of property of the
7 Alaska Railroad Corporation by municipalities; and
8 providing for an effective date."

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

10 * Section 1. PURPOSE. This Act provides that the real and personal
11 property of the Alaska Railroad Corporation is subject to property taxes
12 imposed by municipalities. The real and personal property of the Alaska
13 Railroad Corporation is excepted from the exemption from taxation granted
14 to property of the state by art. IX, sec. 4, Constitution of the State of
15 Alaska.

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

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

18 (1) municipal, state, or federally owned property, except
19 that

20 (A) a private leasehold, contract, or other interest
21 in the property is taxable to the extent of the interest;

22 (B) the real and personal property of the Alaska
23 Railroad Corporation is taxable as provided in AS 29.45.010 -
24 29.45.600;

25 (2) household furniture and personal effects of members of
26 a household;

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

29 (4) property of a nonbusiness organization composed

1 entirely of persons with 90 days or more of active service in the
2 armed forces of the United States whose conditions of service and
3 separation were other than dishonorable, or the property of an auxil-
4 iary of that organization;

5 (5) money on deposit;

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

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

11 * Sec. 3. AS 29.45 is amended by adding a new section to read:

12 Sec. 29.45.295. COLLECTION OF DELINQUENT TAXES ON PROPERTY OF
13 THE ALASKA RAILROAD CORPORATION. (a) The property of the Alaska
14 Railroad Corporation is exempt from AS 29.45.300 - 29.45.490.

15 (b) A municipality may bring an action in the superior court to
16 compel payment of property taxes due from the Alaska Railroad Corpora-
17 tion, if the corporation does not pay the amount due within six months
18 from the date that the taxes are due.

19 * Sec. 4. AS 42.40.910(a) is amended to read:

20 (a) The exercise of the powers granted by this chapter shall be
21 in all respects for the benefit of the people of the state, for their
22 well-being and prosperity, and for the improvement of their social and
23 economic conditions. Except as provided in [SUBJECT TO] (b) and (d)
24 of this section, the real and personal property of the corporation and
25 its assets, income, and receipts are exempt from all taxes and special
26 assessments of the state or a political subdivision of the state.

27 * Sec. 5. AS 42.40.910 is amended by adding a new subsection to read:

28 (d) The property of the corporation is subject to property taxes
29 imposed by municipalities under AS 29.45.010 - 29.45.600.

1 * Sec. 6. This Act takes effect January 1, 1990.