

Original sponsor(s): Finance Committee

1 IN THE HOUSE BY THE C&RA COMMITTEE

2 CS FOR HOUSE BILL NO. 294 (C&RA)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND 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, except real property leased, or subject to a permit  
25 issued, to a municipality for public use for which the cost to  
26 the municipality does not exceed the corporation's expenses of  
27 administering the lease or permit;

28 (2) household furniture and personal effects of members of  
29 a household;

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

3 (4) property of a nonbusiness organization composed entire-  
4 ly of persons with 90 days or more of active service in the armed  
5 forces of the United States whose conditions of service and separation  
6 were other than dishonorable, or the property of an auxiliary of that  
7 organization;

8 (5) money on deposit;

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

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

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

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

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

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

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

- 1 \* Sec. 5. AS 42.40.910 is amended by adding a new subsection to read:  
2 (d) The property of the corporation is subject to property taxes  
3 imposed by municipalities under AS 29.45.010 - 29.45.600.  
4 \* Sec. 6. This Act takes effect January 1, 1991.