

**CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 397(FIN)**

**IN THE LEGISLATURE OF THE STATE OF ALASKA**

**EIGHTEENTH LEGISLATURE - SECOND SESSION**

**BY THE HOUSE FINANCE COMMITTEE**

**Offered: 3/7/94**

**Referred: Rules**

**Sponsor(s): REPRESENTATIVE OLBERG**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to the power to levy property taxes in second class cities."**

2 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 **\* Section 1. AS 29.45.590 is amended to read:**

4 **Sec. 29.45.590. LIMITED PROPERTY TAXING POWER FOR SECOND**  
5 **CLASS CITIES. A second class city may [BY REFERENDUM] levy property taxes**  
6 **as provided for first class cities. However, levy by a second class city may not exceed**  
7 **two [ONE-HALF OF ONE] percent of the assessed value of the property taxed, except**  
8 **that the limit does not apply to a levy necessary to avoid a default upon payment of**  
9 **principal and interest of bonded or other indebtedness that is secured by a pledge to**  
10 **levy ad valorem or other taxes without limit to meet debt payments.**