



COMMITTEE REPORT  
SENATE

5/26/81

FURTHER:

Finance

Date: 4/9/82

Mr. President:

The Committee on COMMUNITY AND REGIONAL AFFAIRS has had HB 421(efd failed) exemption of residential property from the property tax

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

do pass  do not pass

do pass with attached amendments(s)

replace with CS for SB HB 421 (CVRA)  same title  new title

and recommends As follows

AND attaches a "Letter of Intent"  New Fiscal Note

reports it back without recommendation

referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

1 Ferguson  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

MEMBERS HAVING  
OTHER RECOMMENDATIONS:

✓ Curtis Tompkins no Rec  
✓ Collette Moore  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

1 Don Gilman no Pass  
CHAIRMAN

Offered: 3/12/82  
Referred: Finance

Original sponsor: Malone

BY THE COMMUNITY AND  
REGIONAL AFFAIRS COMMITTEE

1 IN THE HOUSE

2 SENATE CS FOR HOUSE BILL NO. 421 (C&RA)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to optional exemptions and exclusions  
7 from municipal property taxation; and providing for an  
8 effective date."

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

10 \* Section 1. AS 29.53.025(a) is amended to read:

11 (a) Municipalities may exclude or exempt or partially exempt  
12 residential property from taxation by ordinance ratified by the voters  
13 at a regular or special election. An exclusion or exemption authorized  
14 by this section may not exceed \$50,000 [\$10,000] for any one residence.

15 \* Sec. 2. AS 29.53.025(b)(2) is amended by adding new subparagraphs to  
16 read:

17 (E) business inventories and supplies;

18 (F) business equipment, machinery, furniture and fix-  
19 tures;

20 (G) vehicles used for transportation on land, water or  
21 in air other than for commercial purposes.

22 \* Sec. 3. AS 29.45.050(a) is amended to read:

23 (a) A municipality may exclude exempt or partially exempt resi-  
24 dential property from taxation by ordinance ratified by the voters at an  
25 election. An exclusion or exemption authorized by this section may not  
26 exceed the assessed value of \$50,000 [\$10,000] for any one residence.

27 \* Sec. 4. AS 29.45.050(b)(2) is amended by adding new subparagraphs to  
28 read:

29 (D) business inventories and supplies;

1 (E) business equipment, machinery, furniture and fix-  
2 tures;

3 (F) vehicles used for transportation on land, water or  
4 in air for other than commercial purposes.

5 \* Sec. 5. Exemptions or exclusions authorized in AS 29.45.050(a) as  
6 amended by sec. 3 of this Act and exemptions authorized in AS 29.45.050(b)(2)  
7 as amended by sec. 4 of this Act may be granted beginning January 1, 1983.

8 \* Sec. 6. Sections 1 and 2 of this Act are repealed.

9 \* Sec. 7. Sections 1 and 2 of this Act take effect January 1, 1983.

10 \* Sec. 8. Sections 3 - 6 of this Act take effect on the effective date of  
11 a version of House Bill No. 170 or Senate Bill No. 180 revising AS 29.

Introduced: 3/30/81  
Referred: Community & Regional  
Affairs and Finance

1 IN THE HOUSE

BY MALONE

2 HOUSE BILL NO. 421 (efd failed)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the exemption of residential  
7 property from the property tax."

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

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11 residential property from taxation by ordinance ratified by the voters  
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13 BY THIS SECTION MAY NOT EXCEED \$10,000 FOR ANY ONE RESIDENCE.]  
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THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST  
Bill/Resolution No. HB 421  
Title "...exemption of residential property...effective date."  
Requested by \_\_\_\_\_ Date \_\_\_\_\_

II. FISCAL DETAIL  
Agency Affected None  
Program Category Affected None  
BRU, Program, or Subprogram(s) Affected None  
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)  
EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>	0	0	0	0	0	0

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)	0	0	0	0	0	0

POSITIONS

FULL TIME	0	0	0	0	0	0
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Fiscal impact on municipalities would vary greatly depending on the kind of language adopted into local law. Apparently, communities would have the latitude to exempt, or partially exempt, literally any type of residential property, i.e. single family, apartment, residential portion of commercial, owner occupied only, etc.

The cost to the municipality could range from virtually nothing, to extremely high depending on the above variables.

*Michael Worley*

IV. DATE 4/2/81 PREPARED BY Michael Worley, Assistant State Assessor  
AGENCY C&RA, LGAD  
PHONE 465-4787  
Original: Legislative Finance  
cc: Budget and Management

ALASKA STATE LEGISLATURE

TWELFTH Legislature FIRST Session

HOUSE BILL NO. 421

By MALONE

"An Act relating to the exemption of residential property from the property tax; (and) providing for an effective date."

Exempt./residential property from property tax

Introduced in the House .. 3/30... 19. 81

HISTORY IN THE HOUSE

19 81	Mar 30	Read first time and referred to Committee on C & RA and Finance
	Apr 16	Reported back with recommendation that Cr RA, 3 dogaw, 270 rec to Finance
	May 18	Finance, 8 dogaw to Rules
	May 21	Read second time and adv
	May 21	Read third time and
	May 22	held until 5/25
	May 25	Reconsideration taken up
	May 21	PASS Effective Date Yeas 26 Nays 2 Absent 2 not voting Excused
	May 21	Reconsideration Failed
	May 25	PASS Effective Date Yeas 28 Nays 11 Absent 17 not voting Excused
	5/21	Reported correctly engrossed
	5/21	Signed by Speaker
	5/21	Sent to Senate
		<i>James C. Baker</i>
		CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19 81	5/30	Read first time and referred to Committee on
	1981 3/12	<i>Cr RA - Jim</i>
		Reported back with C+RA recommendation that SCS be adv, via title, 2 do pass, 2 do rec, to fin
		Read second time and
		Read third time and
		PASS Effective Date Yeas Nays Absent Excused
		Reconsideration
		PASS Effective Date Yeas Nays Absent Excused
		Reported correctly engrossed
		Signed by President
		Returned to House
		SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19	Received from Senate
	Concurred in Senate amendment thus adopting: VOTE
	Failed to concur in Senate amendment; asked Senate to recede VOTE
	Senate receded from amendment VOTE
	Senate failed to recede from amendment VOTE
	CC appointed by House
	CC appointed by Senate
	CC adopted by House VOTE
	CC adopted by Senate VOTE
	To enrolling
	Reported correctly enrolled
	Sent to Governor
	..... by Governor
	Filed with Lt. Governor
	Chapter No. ....

Introduced: 3/30/81  
Referred: Community & Regional  
Affairs and Finance

1 IN THE HOUSE

BY MALONE

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HOUSE BILL NO. 421 (efd failed)

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IN THE LEGISLATURE OF THE STATE OF ALASKA

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TWELFTH LEGISLATURE - FIRST SESSION

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A BILL

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For an Act entitled: "An Act relating to the exemption of residential  
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IV. DATE 4/2/81

PREPARED BY Michael Worley, Assistant State Assessor

AGENCY C&RA, LG&D

PROJECT EXEMPTION