

LEG. FINANCE - BILLS 1975 - 1976 570

SB 510 cont., thru SB 529am

The bill also limits the tax exemption for interest on government obligations to only those obligations of the State and the political subdivisions of the State. This change would still retain the added State tax incentive for investment in bonds of the State and municipalities of this State without subsidizing the investment in bonds of other states and the municipalities of other states. There appears to be no reason to provide a State tax incentive for investment in the bonds of other states and municipalities of other states.

Section 2 of the bill amends AS 43.20.021 which currently incorporates the provisions of the Internal Revenue Code into AS 43.20 automatically. The bill provides that the legislature would have to specifically approve changes in federal tax exemptions and credits before they would become effective for Alaska income tax purposes. It is important that changes in the federal income tax structure which have major State revenue impact like tax exemptions and credits be evaluated by the legislature before they are made applicable in our State tax system.

In addition, section 3 of the bill sets a specific State tax rate for the federal minimum tax on tax preferences. Presently, the State incorporates the full federal tax rate of 10 per cent on tax preference items without any adjustment. The bill would set a specific rate for Alaska income tax purposes comparable to that of other states.

Sincerely,

Jay S. Hammond  
Governor

Introduced: 1/15/76  
Referred: Finance

1 IN THE SENATE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2 SENATE BILL NO. 510

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska Net Income Tax Act; and  
7 providing for an effective date."

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

9 \* Section 1. AS 43.20.031(a) is amended by adding new paragraphs  
10 to read:

11 (3) the benefits of nonrecognition of gain on the sale  
12 or exchange of certain property under secs. 1031, 1033 and 1034  
13 of the Internal Revenue Code (26 U.S.C. secs. 1031, 1033 and  
14 1034) are allowed only to taxpayers who purchase or exchange the  
15 property within the state.

16 (4) the exemption of interest on certain government  
17 obligations under sec. 103 of the Internal Revenue Code (26  
18 U.S.C. sec. 103) shall be allowed except that the interest on  
19 obligations of other states and the political subdivisions of  
20 those other states are not exempt from the tax imposed by this  
21 chapter.

22 \* Sec. 2. AS 43.20.021(a) is amended to read:

23 (a) Subtitle F and chapter 1 of subtitle A of the 1954  
24 Internal Revenue Code, Public Law 83-591, as amended, are adopted  
25 by reference as a part of this chapter, except that those provisions  
26 of the Internal Revenue Code adopted after December 31, 1975  
27 which change or modify exemptions from tax or credits against tax  
28 are not adopted by reference as a part of this chapter. These  
29 portions of the Internal Revenue Code have full force and effect

1 under this chapter unless excepted to or modified by other provisions  
2 of this chapter.

3 \* Sec. 3. AS 43.20.021 is amended by adding a new subsection to  
4 read:

5 (e) For purposes of calculating the minimum tax on tax  
6 preferences under sec. 56 of the Internal Revenue Code (26 U.S.C.  
7 sec. 56), the rate is five per cent.

8 \* Sec. 4. This Act is retroactive to January 1, 1976.

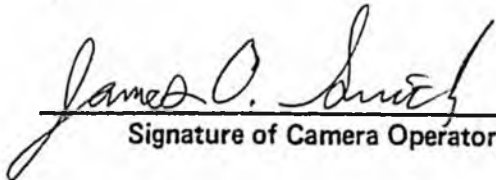
9 \* Sec. 5. This Act takes effect immediately in accordance with AS  
10 01.10.070(c).

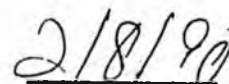


# RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

  
Signature of Camera Operator

  
Date

# COMMITTEE REPORT

4/16/76

HOUSE

Mr. Speaker:

Date May 6 1976

The Committee on FINANCE has had S B 511

under consideration. A Majority of the members of the Committee

recommends it DO PASS

recommends it DO NOT PASS

recommends it DO PASS WITH ATTACHED AMENDMENT(S)

recommends it BE REPLACED WITH CS FOR \_\_\_\_\_ AND THAT  
CS FOR \_\_\_\_\_ DO PASS

"and" recommends it BE REFERRED TO THE \_\_\_\_\_  
COMMITTEE

reports it back WITHOUT RECOMMENDATION

"other"

Members signing the Majority report:

<u>[Signature]</u>	<u>[Signature]</u>	_____
_____	_____	_____
<u>[Signature]</u>	_____	_____
<u>[Signature]</u>	_____	_____

Members NOT concurring in the Majority report:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

[Signature] Chairman

Introduced: 1/15/76  
Referred: Finance

1 IN THE SENATE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2 SENATE BILL NO. 511

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the administration and enforcement  
7 of state revenue laws; and providing for an effective  
8 date."

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

10 \* Section 1. AS 43.05 is amended by adding new sections to read:

11 Sec. 43.05.260. LIMITATION ON ASSESSMENT. (a) Except as pro-  
12 vided in AS 43.20.200(b), the amount of a tax imposed by this title  
13 must be assessed within three years after the return was filed,  
14 whether or not a return was filed on or after the date prescribed by  
15 law. If the tax is not assessed before the expiration of the three-  
16 year period, no proceedings may be instituted in court for the collec-  
17 tion of the tax.

18 (b) For purposes of this section, a return filed before the last  
19 day prescribed by law or regulation is considered as filed on the last  
20 day.

21 (c) The following exceptions apply to the limitation period  
22 under (a) of this section:

23 (1) in the case of a false or fraudulent return with the  
24 intent to evade tax, the tax may be assessed, or a proceeding in court  
25 for collection of the tax may be begun without assessment, at any  
26 time;

27 (2) in the case of a failure to file a return, the tax may  
28 be assessed, or a proceeding in court for the collection of the tax  
29 may be begun without assessment, at any time;

1 (3) if, before the expiration of the time prescribed in  
2 this section for the assessment of a tax imposed by this title,  
3 both the department and the taxpayer have consented in writing to the  
4 assessment after the expiration of the time, the tax may be assessed  
5 at any time before the expiration of the period agreed upon; however,  
6 the period agreed upon may be extended by a subsequent agreement in  
7 writing made before the expiration of the period previously agreed  
8 upon.

9 Sec. 43.05.270. COLLECTION AFTER ASSESSMENT. (a) When the  
10 assessment of a tax imposed by this title has been made within the  
11 period of limitation under sec. 260 of this chapter, the tax may be  
12 collected by levy or by a proceeding in court, but only if the levy is  
13 made or the proceeding is begun:

14 (1) within six years after the assessment of the tax; or

15 (2) before the expiration of any period for collection  
16 agreed upon in writing by the department and the taxpayer before the  
17 expiration of the six-year period; any period agreed upon may be  
18 extended by subsequent agreements in writing made before the expiration  
19 of the period previously agreed upon; the period provided by this  
20 paragraph during which a tax may be collected by levy may not be  
21 extended or curtailed because of a judgment against the taxpayer.

22 (b) The date on which a levy on property or right to property is  
23 made is the date on which the notice of seizure is given.

24 Sec. 43.05.280. INTEREST ON OVERPAYMENTS. (a) Interest shall  
25 be allowed and paid on any overpayment of a tax under this title at  
26 the rate of eight per cent a year.

27 (b) Interest shall be allowed and paid as follows:

28 (1) in the case of a credit, from the date of the over-  
29 payment to the due date of the amount against which the credit is

1 taken;

2 (2) in the case of a refund, from the date of the over-  
3 payment to a date, as determined by the department, preceding the date  
4 of the refund check by not more than 30 days, whether or not the  
5 refund check is accepted by the taxpayer after tender of the check to  
6 the taxpayer; the acceptance of the refund check does not affect the  
7 right of the taxpayer to claim any additional overpayment and interest  
8 on the overpayment.

9 (c) If any overpayment of a tax imposed by this title is refunded  
10 within 90 days after the last date prescribed for filing the return of  
11 the tax, determined without regard to any extension of time for  
12 filing the return, or if the return is filed after the last filing  
13 date and the overpayment is refunded within 90 days after the date the  
14 return is filed, no interest may be allowed under (a) of this section  
15 on that overpayment.

16 \* Sec. 2. AS 43.10.030 is amended to read:

17 Sec. 43.10.030. DISTRAINT ON [PERSONAL] PROPERTY EXTENDED TO ALL  
18 STATE REVENUE STATUTES. The remedy of distraint on [PERSONAL] pro-  
19 perty, set out in AS 43.20.270, applies to all state revenue statutes  
20 existing or hereafter enacted for the collection of taxes and license  
21 fees.

22 \* Sec. 3. AS 43.10 is amended by adding a new section to read:

23 Sec. 43.10.035. LIEN. (a) If any person who is liable to pay a  
24 tax or license fee under this title neglects or refuses to pay the tax  
25 or license fee after demand, the amount, including interest, additional  
26 amount, or assessable penalty, together with costs, is a lien in favor  
27 of the state upon all property and right to property, real or personal,  
28 belonging to that person.

29 (b) Unless specifically provided otherwise by law, the lien

1 imposed by this section arises at the time the assessment is made and  
2 continues until the amount assessed is paid or a judgment against the  
3 taxpayer arising out of the liability is satisfied.

4 \* Sec. 4. AS 43.20.230, 43.31.211, 43.31.270, 43.50.120, 43.55.070,  
5 43.56.170, 43.58.140, 43.65.040, 43.65.050(e), 43.70.070(a), and 43.75.050(e)  
6 are repealed.

7 \* Sec. 5. This Act is retroactive to January 1, 1976.

8 \* Sec. 6. This Act takes effect immediately in accordance with AS 01.-  
9 10.070(c).

SB 511

The Honorable Chancy Croft  
President of the Senate  
Alaska State Legislature  
Juneau, Alaska 99811

Dear Mr. President:

In accordance with AS 24.30.061(b) and the Uniform Rules of the Alaska State Legislature, I am transmitting a bill which provides uniform administrative and enforcement provisions for all of the State's tax statutes.

Presently, there are no uniform provisions regarding the assessment and collection of taxes, the imposition of liens, and interest on overpayments. In some cases there are no provisions and in other cases the provisions conflict depending upon the type of tax involved.

The bill sets a uniform limitation period for assessment and collection of tax. The bill provides generally that in the absence of fraud the State would have to make an assessment of tax within 3 years after a tax return is filed and make collection of the tax within 6 years after assessment or the action would be barred. With the exception of the income tax, estate tax, and motor fuel tax statutes, there are presently no limitation periods on assessment or collection of taxes. This change in the statutes would help to achieve uniform tax administration and assure timely assessment and collection of taxes.

The bill also provides that the State would pay interest of 8 per cent on overpayments if they are not refunded within 90 days after the overpayment arose. Presently, the State only pays interest on overpayments of income tax. This change would set a fair and uniform system for all taxes.

Provision is also made for a uniform lien statute. Presently, the lien provisions conflict among the tax statutes and in some cases there are no lien provisions at all.

In addition, the bill repeals several sections in AS 43 which would conflict with the uniform administrative provisions set out in the bill.

Sincerely,

Jay S. Hammond  
Governor

THE LEGISLATURE OF THE STATE OF ALASKA  
FISCAL NOTE  
Second Session - Ninth Legislature

I. REQUEST  
 Bill No. Senate Bill No. 511  
 Title: Administration and Enforcement of State Revenue Laws  
 Requested by: Senate Finance Committee Date: 1/26/76  
 Return Date Requested: 1/21/76  
 Agency: Revenue Program: Enforcement

II. FISCAL DETAIL  
 Budget Request Unit(s) Affected: \_\_\_\_\_  
 A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	None	None	None	None	None	None

B. FUNDING: (Thousands of dollars)

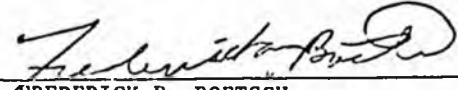
GENERAL FUND						
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	/	/	/	/	/
MAN MONTHS (P./T.)	/	/	/	/	/	/

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

IV. ATTACHMENTS  
 See memorandum dated January 8, 1976 from Frederick P. Boetsch, Deputy  
 Commissioner to Sterling Gallagher, Commissioner of Revenue.

V. DATE: 1/26/76 PREPARED BY:   
 FREDERICK P. BOETSCH  
 Deputy Commissioner

Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

# MEMORANDUM

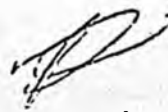
# State of Alaska

TO: Sterling Gallagher  
 Commissioner  
 Department of Revenue

DATE: January 12, 1976

FILE NO:

TELEPHONE NO:

FROM: Frederick P. Boetsch   
 Deputy Commissioner, Taxation  
 Department of Revenue

SUBJECT: Governor's Bill for Administrative Uniformity in the Tax Laws

This bill continues the move that we started with HB 211 in last year's session to provide for Administrative Uniformity of all the State's tax laws. In this measure, the subjects of assessment and collection procedures are covered. The purpose of the bill is to eliminate the multiplicity of procedures that are followed presently by having separate and different procedures for each of the different tax types that we administer. This bill will repeal those common sections of the various tax laws and place one consistent and uniform set of rules under the Administrative Chapter of Title 43. There is no budgetary or treasury effect of this measure that can be measured directly although easier compliance by taxpayers and smoother administration should result from this uniformity.

cc: Ralph Kimlinger, Director  
 Enforcement Division



# RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James O. Smith  
Signature of Camera Operator

2/8/90  
Date

THE LEGISLATURE OF THE STATE OF ALASKA  
FISCAL NOTE  
 Second Session - Ninth Legislature

I. REQUEST

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II. FISCAL DETAIL

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500 EQUIPMENT						
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700 GRANTS, CLAIMS, ETC.						
TOTAL	None	None	None	None	None	None

B. FUNDING: (Thousands of dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						

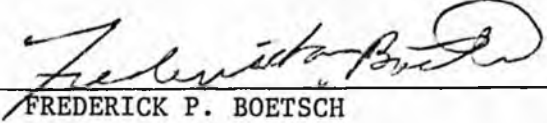
C. POSITIONS:

PERMANENT/TEMPORARY	/	/	/	/	/	/
MAN MONTHS (P./T.)	/	/	/	/	/	/

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

IV. ATTACHMENTS

See memorandum dated January 8, 1976 from Frederick P. Boetsch, Deputy Commissioner to Sterling Gallagher, Commissioner of Revenue.

V. DATE: 1/26/76 PREPARED BY:   
 FREDERICK P. BOETSCH  
 Deputy Commissioner

Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

## MEMORANDUM


State of Alaska

TO: Sterling Gallagher  
Commissioner  
Department of Revenue

DATE: January 12, 1976

FILE NO:

TELEPHONE NO:

FROM: Frederick P. Boetsch   
Deputy Commissioner, Taxation  
Department of Revenue

SUBJECT: Governor's Bill for Adminis-  
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This bill continues the move that we started with HB 211 in last year's session to provide for Administrative Uniformity of all the State's tax laws. In this measure, the subjects of assessment and collection procedures are covered. The purpose of the bill is to eliminate the multiplicity of procedures that are followed presently by having separate and different procedures for each of the different tax types that we administer. This bill will repeal those common sections of the various tax laws and place one consistent and uniform set of rules under the Administrative Chapter of Title 43. There is no budgetary or treasury effect of this measure that can be measured directly although easier compliance by taxpayers and smoother administration should result from this uniformity.

cc: Ralph Kimlinger, Director  
Enforcement Division

Introduced: 1/15/76  
Referred: Finance

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

1 IN THE SENATE

2 SENATE BILL NO. 511

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 - A BILL

6 For an Act entitled: "An Act relating to the administration and enforcement  
7 of state revenue laws; and providing for an effective  
8 date."

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

10 \* Section 1. AS 43.05 is amended by adding new sections to read:

11 Sec. 43.05.260. LIMITATION ON ASSESSMENT. (a) Except as pro-  
12 vided in AS 43.20.200(b), the amount of a tax imposed by this title  
13 must be assessed within three years after the return was filed,  
14 whether or not a return was filed on or after the date prescribed by  
15 law. If the tax is not assessed before the expiration of the three-  
16 year period, no proceedings may be instituted in court for the collec-  
17 tion of the tax.

18 (b) For purposes of this section, a return filed before the last  
19 day prescribed by law or regulation is considered as filed on the last  
20 day.

21 (c) The following exceptions apply to the limitation period  
22 under (a) of this section:

23 (1) in the case of a false or fraudulent return with the  
24 intent to evade tax, the tax may be assessed, or a proceeding in court  
25 for collection of the tax may be begun without assessment, at any  
26 time;

27 (2) in the case of a failure to file a return, the tax may  
28 be assessed, or a proceeding in court for the collection of the tax  
29 may be begun without assessment, at any time;

1 (3) if, before the expiration of the time prescribed in  
2 this section for the assessment of a tax imposed by this title,  
3 both the department and the taxpayer have consented in writing to the  
4 assessment after the expiration of the time, the tax may be assessed  
5 at any time before the expiration of the period agreed upon; however,  
6 the period agreed upon may be extended by a subsequent agreement in  
7 writing made before the expiration of the period previously agreed  
8 upon.

9 Sec. 43.05.270. COLLECTION AFTER ASSESSMENT. (a) When the  
10 assessment of a tax imposed by this title has been made within the  
11 period of limitation under sec. 260 of this chapter, the tax may be  
12 collected by levy or by a proceeding in court, but only if the levy is  
13 made or the proceeding is begun:

14 (1) within six years after the assessment of the tax; or

15 (2) before the expiration of any period for collection  
16 agreed upon in writing by the department and the taxpayer before the  
17 expiration of the six-year period; any period agreed upon may be  
18 extended by subsequent agreements in writing made before the expiration  
19 of the period previously agreed upon; the period provided by this  
20 paragraph during which a tax may be collected by levy may not be  
21 extended or curtailed because of a judgment against the taxpayer.

22 (b) The date on which a levy on property or right to property is  
23 made is the date on which the notice of seizure is given.

24 Sec. 43.05.280. INTEREST ON OVERPAYMENTS. (a) Interest shall  
25 be allowed and paid on any overpayment of a tax under this title at  
26 the rate of eight per cent a year.

27 (b) Interest shall be allowed and paid as follows:

28 (1) in the case of a credit, from the date of the over-  
29 payment to the due date of the amount against which the credit is

1 taken;

2 (2) in the case of a refund, from the date of the over-  
3 payment to a date, as determined by the department, preceding the date  
4 of the refund check by not more than 30 days, whether or not the  
5 refund check is accepted by the taxpayer after tender of the check to  
6 the taxpayer; the acceptance of the refund check does not affect the  
7 right of the taxpayer to claim any additional overpayment and interest  
8 on the overpayment,

9 (c) If any overpayment of a tax imposed by this title is refunded  
10 within 90 days after the last date prescribed for filing the return of  
11 the tax, determined without regard to any extension of time for  
12 filing the return, or if the return is filed after the last filing  
13 date and the overpayment is refunded within 90 days after the date the  
14 return is filed, no interest may be allowed under (a) of this section  
15 on that overpayment.

16 \* Sec. 2. AS 43.10.030 is amended to read:

17 Sec. 43.10.030. DISTRAINT ON [PERSONAL] PROPERTY EXTENDED TO ALL  
18 STATE REVENUE STATUTES. The remedy of distraint on [PERSONAL] pro-  
19 perty, set out in AS 43.20.270, applies to all state revenue statutes  
20 existing or hereafter enacted for the collection of taxes and license  
21 fees.

22 \* Sec. 3. AS 43.10 is amended by adding a new section to read:

23 Sec. 43.10.035. LIEN. (a) If any person who is liable to pay a  
24 tax or license fee under this title neglects or refuses to pay the tax  
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5 43.56.170, 43.58.140, 43.65.040, 43.65.050(e), 43.70.070(a), and 43.75.050(e)  
6 are repealed.

7 \* Sec. 5. This Act is retroactive to January 1, 1976.

8 \* Sec. 6. This Act takes effect immediately in accordance with AS 01.-  
9 10.070(c).

# COMMITTEE REPORT

## SENATE

Referred: 1/15/76

Mr. President:

Date

1/27/76

The Committee on Finance has had SE 511  
(admin and enforcement of state revenue laws)  
under consideration. A Majority of the members of the Committee

- recommends it DO PASS
- recommends it DO NOT PASS
- recommends it DO PASS WITH ATTACHED AMENDMENT(S)
- recommends it BE REPLACED WITH CS FOR \_\_\_\_\_ AND THAT  
CS FOR \_\_\_\_\_ DO PASS
- "and" recommends it BE REFERRED TO THE \_\_\_\_\_  
COMMITTEE
- reports it back WITHOUT RECOMMENDATION
- "other"

Members signing the Majority report:

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Members NOT concurring in the Majority report:

_____	recommends:
_____	recommends:
_____	recommends:
_____	recommends:
_____	recommends:

CP. J. ... Chairman

JAN 15 1976

SB 511

The Honorable Chancy Croft  
President of the Senate  
Alaska State Legislature  
Juneau, Alaska 99811

Dear Mr. President:

In accordance with AS 24.30.060(b) and the Uniform Rules of the Alaska State Legislature, I am transmitting a bill which provides uniform administrative and enforcement provisions for all of the State's tax statutes.

Presently, there are no uniform provisions regarding the assessment and collection of taxes, the imposition of liens, and interest on overpayments. In some cases there are no provisions and in other cases the provisions conflict depending upon the type of tax involved.

The bill sets a uniform limitation period for assessment and collection of tax. The bill provides generally that in the absence of fraud the State would have to make an assessment of tax within 3 years after a tax return is filed and make collection of the tax within 6 years after assessment or the action would be barred. With the exception of the income tax, estate tax, and motor fuel tax statutes, there are presently no limitation periods on assessment or collection of taxes. This change in the statutes would help to achieve uniform tax administration and assure timely assessment and collection of taxes.

The bill also provides that the State would pay interest of 8 per cent on overpayments if they are not refunded within 90 days after the overpayment arose. Presently, the State only pays interest on overpayments of income tax. This change would set a fair and uniform system for all taxes.

Provision is also made for a uniform lien statute. Presently, the lien provisions conflict among the tax statutes and in some cases there are no lien provisions at all.

In addition, the bill repeals several sections in AS 43 which would conflict with the uniform administrative provisions set out in the bill.

Sincerely,

Jay S. Hammond  
Governor

Introduced: 1/15/76  
Referred: Finance

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BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

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23 (1) in the case of a false or fraudulent return with the  
24 intent to evade tax, the tax may be assessed, or a proceeding in court  
25 for collection of the tax may be begun without assessment, at any  
26 time;

27 (2) in the case of a failure to file a return, the tax may  
28 be assessed, or a proceeding in court for the collection of the tax  
29 may be begun without assessment, at any time;

1 (3) if, before the expiration of the time prescribed in  
2 this section for the assessment of a tax imposed by this title,  
3 both the department and the taxpayer have consented in writing to the  
4 assessment after the expiration of the time, the tax may be assessed  
5 at any time before the expiration of the period agreed upon; however,  
6 the period agreed upon may be extended by a subsequent agreement in  
7 writing made before the expiration of the period previously agreed  
8 upon.

9 Sec. 43.05.270. COLLECTION AFTER ASSESSMENT. (a) When the  
10 assessment of a tax imposed by this title has been made within the  
11 period of limitation under sec. 260 of this chapter, the tax may be  
12 collected by levy or by a proceeding in court, but only if the levy is  
13 made or the proceeding is begun:

14 (1) within six years after the assessment of the tax; or

15 (2) before the expiration of any period for collection  
16 agreed upon in writing by the department and the taxpayer before the  
17 expiration of the six-year period; any period agreed upon may be  
18 extended by subsequent agreements in writing made before the expiration  
19 of the period previously agreed upon; the period provided by this  
20 paragraph during which a tax may be collected by levy may not be  
21 extended or curtailed because of a judgment against the taxpayer.

22 (b) The date on which a levy on property or right to property is  
23 made is the date on which the notice of seizure is given.

24 Sec. 43.05.280. INTEREST ON OVERPAYMENTS. (a) Interest shall  
25 be allowed and paid on any overpayment of a tax under this title at  
26 the rate of eight per cent a year.

27 (b) Interest shall be allowed and paid as follows:

28 (1) in the case of a credit, from the date of the over-  
29 payment to the due date of the amount against which the credit is

1 taken;

2 (2) in the case of a refund, from the date of the over-  
3 payment to a date, as determined by the department, preceding the date  
4 of the refund check by not more than 30 days, whether or not the  
5 refund check is accepted by the taxpayer after tender of the check to  
6 the taxpayer; the acceptance of the refund check does not affect the  
7 right of the taxpayer to claim any additional overpayment and interest  
8 on the overpayment.

9 (c) If any overpayment of a tax imposed by this title is refunded  
10 within 90 days after the last date prescribed for filing the return of  
11 the tax, determined without regard to any extension of time for  
12 filing the return, or if the return is filed after the last filing  
13 date and the overpayment is refunded within 90 days after the date the  
14 return is filed, no interest may be allowed under (a) of this section  
15 on that overpayment.

16 \* Sec. 2. AS 43.10.030 is amended to read:

17 Sec. 43.10.030. DISTRAINT ON [PERSONAL] PROPERTY EXTENDED TO ALL  
18 STATE REVENUE STATUTES. The remedy of distraint on [PERSONAL] pro-  
19 perty, set out in AS 43.20.270, applies to all state revenue statutes  
20 existing or hereafter enacted for the collection of taxes and license  
21 fees.

22 \* Sec. 3. AS 43.10 is amended by adding a new section to read:

23 Sec. 43.10.035. LIEN. (a) If any person who is liable to pay a  
24 tax or license fee under this title neglects or refuses to pay the tax  
25 or license fee after demand, the amount, including interest, additional  
26 amount, or assessable penalty, together with costs, is a lien in favor  
27 of the state upon all property and right to property, real or personal,  
28 belonging to that person.

29 (b) Unless specifically provided otherwise by law, the lien

1 imposed by this section arises at the time the assessment is made and  
2 continues until the amount assessed is paid or a judgment against the  
3 taxpayer arising out of the liability is satisfied.

4 \* Sec. 4. AS 43.20.230, 43.31.211, 43.31.270, 43.50.120, 43.55.070,  
5 43.56.170, 43.58.140, 43.65.040, 43.65.050(e), 43.70.070(a), and 43.75.050(e)  
6 are repealed.

7 \* Sec. 5. This Act is retroactive to January 1, 1976.

8 \* Sec. 6. This Act takes effect immediately in accordance with AS 01.-  
9 10.070(c).

Introduced: 1/15/76  
Referred: Finance

1 IN THE SENATE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2 SENATE BILL NO. 511

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the administration and enforcement  
7 of state revenue laws; and providing for an effective  
8 date."

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

10 \* Section 1. AS 43.05 is amended by adding new sections to read:

11 Sec. 43.05.260. LIMITATION ON ASSESSMENT. (a) Except as pro-  
12 vided in AS 43.20.200(b), the amount of a tax imposed by this title  
13 must be assessed within three years after the return was filed,  
14 whether or not a return was filed on or after the date prescribed by  
15 law. If the tax is not assessed before the expiration of the three-  
16 year period, no proceedings may be instituted in court for the collec-  
17 tion of the tax.

18 (b) For purposes of this section, a return filed before the last  
19 day prescribed by law or regulation is considered as filed on the last  
20 day.

21 (c) The following exceptions apply to the limitation period  
22 under (a) of this section:

23 (1) in the case of a false or fraudulent return with the  
24 intent to evade tax, the tax may be assessed, or a proceeding in court  
25 for collection of the tax may be begun without assessment, at any  
26 time;

27 (2) in the case of a failure to file a return, the tax may  
28 be assessed, or a proceeding in court for the collection of the tax  
29 may be begun without assessment, at any time;

1 (3) if, before the expiration of the time prescribed in  
2 this section for the assessment of a tax imposed by this title,  
3 both the department and the taxpayer have consented in writing to the  
4 assessment after the expiration of the time, the tax may be assessed  
5 at any time before the expiration of the period agreed upon; however,  
6 the period agreed upon may be extended by a subsequent agreement in  
7 writing made before the expiration of the period previously agreed  
8 upon.

9 Sec. 43.05.270. COLLECTION AFTER ASSESSMENT. (a) When the  
10 assessment of a tax imposed by this title has been made within the  
11 period of limitation under sec. 260 of this chapter, the tax may be  
12 collected by levy or by a proceeding in court, but only if the levy is  
13 made or the proceeding is begun:

14 (1) within six years after the assessment of the tax; or

15 (2) before the expiration of any period for collection  
16 agreed upon in writing by the department and the taxpayer before the  
17 expiration of the six-year period; any period agreed upon may be  
18 extended by subsequent agreements in writing made before the expiration  
19 of the period previously agreed upon; the period provided by this  
20 paragraph during which a tax may be collected by levy may not be  
21 extended or curtailed because of a judgment against the taxpayer.

22 (b) The date on which a levy on property or right to property is  
23 made is the date on which the notice of seizure is given.

24 Sec. 43.05.280. INTEREST ON OVERPAYMENTS. (a) Interest shall  
25 be allowed and paid on any overpayment of a tax under this title at  
26 the rate of eight per cent a year.

27 (b) Interest shall be allowed and paid as follows:

28 (1) in the case of a credit, from the date of the over-  
29 payment to the due date of the amount against which the credit is

1 taken;

2 (2) in the case of a refund, from the date of the over-  
3 payment to a date, as determined by the department, preceding the date  
4 of the refund check by not more than 30 days, whether or not the  
5 refund check is accepted by the taxpayer after tender of the check to  
6 the taxpayer; the acceptance of the refund check does not affect the  
7 right of the taxpayer to claim any additional overpayment and interest  
8 on the overpayment.

9 (c) If any overpayment of a tax imposed by this title is refunded  
10 within 90 days after the last date prescribed for filing the return of  
11 the tax, determined without regard to any extension of time for  
12 filing the return, or if the return is filed after the last filing  
13 date and the overpayment is refunded within 90 days after the date the  
14 return is filed, no interest may be allowed under (a) of this section  
15 on that overpayment.

16 \* Sec. 2. AS 43.10.030 is amended to read:

17 Sec. 43.10.030. DISTRAINT ON [PERSONAL] PROPERTY EXTENDED TO ALL  
18 STATE REVENUE STATUTES. The remedy of distraint on [PERSONAL] pro-  
19 perty, set out in AS 43.20.270, applies to all state revenue statutes  
20 existing or hereafter enacted for the collection of taxes and license  
21 fees.

22 \* Sec. 3. AS 43.10 is amended by adding a new section to read:

23 Sec. 43.10.035. LIEN. (a) If any person who is liable to pay a  
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25 or license fee after demand, the amount, including interest, additional  
26 amount, or assessable penalty, together with costs, is a lien in favor  
27 of the state upon all property and right to property, real or personal,  
28 belonging to that person.

29 (b) Unless specifically provided otherwise by law, the lien

1 imposed by this section arises at the time the assessment is made and  
2 continues until the amount assessed is paid or a judgment against the  
3 taxpayer arising out of the liability is satisfied.

4 \* Sec. 4. AS 43.20.230, 43.31.211, 43.31.270, 43.50.120, 43.55.070,  
5 43.56.170, 43.58.140, 43.65.040, 43.65.050(e), 43.70.070(a), and 43.75.050(e)  
6 are repealed.

7 \* Sec. 5. This Act is retroactive to January 1, 1976.

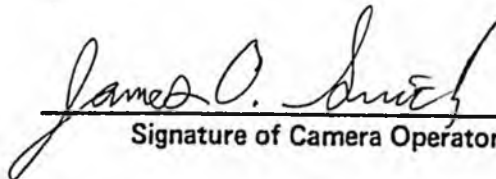
8 \* Sec. 6. This Act takes effect immediately in accordance with AS 01.-  
9 10.070(c).

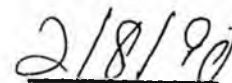


# RECORDS CERTIFICATION



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Signature of Camera Operator

  
Date

"An Act relating to the functions of the Department of Revenue regarding monetary gifts to the University of Alaska; effective date."

# COMMITTEE REPORT

3/12/76

HOUSE

Mr. Speaker:

Date 5-27-76

The Committee on FINANCE has had SB 518

under consideration. A Majority of the members of the Committee

( ) recommends it DO PASS

( ) recommends it DO NOT PASS

( ) recommends it DO PASS WITH ATTACHED AMENDMENT(S)

( ) recommends it BE REPLACED WITH CS FOR \_\_\_\_\_ AND THAT

CS FOR \_\_\_\_\_ DO PASS

( ) "and" recommends it BE REFERRED TO THE \_\_\_\_\_

COMMITTEE

( ) reports it back WITHOUT RECOMMENDATION

"other" INDIVIDUAL RECOMMENDATIONS

Members signing the Majority report:

<u>H Malone</u>	<u>Do Not Pass</u>	_____
_____	_____	_____
<u>Casper</u>	<u>Do Pass</u>	_____

Members NOT concurring in the Majority report:

<u>J. B. Schlicht</u>	recommends: <u>No Rec</u>
<u>D. T. H.</u>	recommends: <u>No Rec</u>
<u>Donnaughton</u>	recommends: <u>DO NOT PASS</u>
<u>_____</u>	recommends: <u>Do pass</u>
<u>_____</u>	recommends: <u>do pass</u>

H Malone Chairman

Introduced: 1/15/76  
Referred: Finance

1 IN THE SENATE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2 SENATE BILL NO. 518

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the functions of the Department  
7 of Revenue regarding monetary gifts to the University  
8 of Alaska; and providing for an effective date."

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

10 \* Section 1. AS 14.40.280 is amended to read:

11 Sec. 14.40.280. ENDOWMENTS AND DONATIONS. All monetary gifts,  
12 bequests or endowments which are made to the university for the pur-  
13 pose of the separate trust fund created under sec. 400 of this chapter  
14 shall be transferred [OTHER THAN STATE APPROPRIATIONS AND FEDERAL  
15 ALLOTMENTS, RECEIVED FOR THE UNIVERSITY EXPANSION PROGRAM OR OTHER USE  
16 SHALL BE TURNED OVER] to the Department of Revenue. The Department of  
17 Revenue shall manage that money in accordance with [SHALL DEPOSIT THEM  
18 IN THE SEPARATE FUND ESTABLISHED AND MAINTAINED UNDER] sec. 400 of  
19 this chapter. Title to and control or possession of [TO] land, [AND]  
20 personal property, and all money other than that transferred to the  
21 Department of Revenue [MONEY], which is devised, bequeathed or given  
22 to the university shall be taken by the university in its corporate  
23 capacity acting by and through the regents or an authorized agent, and  
24 shall be entered in the perpetual inventory of the university.

25 \* Sec. 2. AS 14.40.400(a) is amended to read:

26 (a) The Department of Revenue shall establish a separate fund in  
27 which all money derived from the sale or lease of the lands granted  
28 under the Act of Congress approved January 21, 1929, and in which all  
29 monetary gifts, bequests or endowments made to the university for the

1        purpose of the fund, shall be held in trust.

2        \* Sec. 3. This Act takes effect immediately in accordance with AS 01.-  
3 10.070(c).

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I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James O. Smith  
Signature of Camera Operator

2/8/90  
Date

COMMITTEE REPORT

Referred: 1/15/76

SENATE

Mr. President:

Date 1/26/76

The Committee on Finance has had SB 518  
(monetary gifts to U of A)  
under consideration. A Majority of the members of the Committee

- recommends it DO PASS
- recommends it DO NOT PASS
- recommends it DO PASS WITH ATTACHED AMENDMENT(S)
- recommends it BE REPLACED WITH CS FOR \_\_\_\_\_ AND THAT  
CS FOR \_\_\_\_\_ DO PASS
- "and" recommends it BE REFERRED TO THE \_\_\_\_\_  
COMMITTEE
- reports it back WITHOUT RECOMMENDATION
- "other"

Members signing the Majority report:

\_\_\_\_\_  
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Members NOT concurring in the Majority report:

\_\_\_\_\_ recommends: \_\_\_\_\_  
 \_\_\_\_\_ recommends: \_\_\_\_\_  
 \_\_\_\_\_ recommends: \_\_\_\_\_  
 \_\_\_\_\_ recommends: \_\_\_\_\_  
 \_\_\_\_\_ recommends: \_\_\_\_\_

\_\_\_\_\_ Chairman

THE LEGISLATURE OF THE STATE OF ALASKA  
FISCAL NOTE

Second Session - Ninth Legislature

I. REQUEST

Bill No. Senate Bill No. 518  
 Title: A bill revising the receipting of University of Alaska Permanent Fund  
 Requested by: Senate Finance Committee Date: January 16, 1976  
 Return Date Requested: January 21, 1976  
 Agency: Revenue Program: Treasury

II. FISCAL DETAIL

Budget Request Unit(s) Affected: None

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

B. FUNDING: (Thousands of dollars)

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	/	/	/	/	/
MAN MONTHS (P./T.)	/	/	/	/	/	/

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

There is no fiscal impact that may be measured related to this measure.

IV. ATTACHMENTS

V. DATE: Jan. 21, 1976 PREPARED BY: Lawrence C. Eppembach

Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

JAN 1 1976

JAN 15 1976

SB 518

The Honorable Chancy Croft  
President of the Senate  
Alaska State Legislature  
Juneau, Alaska 99811

Dear Mr. President:

In accordance with AS 24.30.060(b) and the Uniform Rules of the Alaska State Legislature, I am transmitting a bill which limits the functions of the Department of Revenue with regard to monetary gifts received by the University of Alaska.

Some confusion has arisen as to the functions of the Department of Revenue regarding the receipt of monetary gifts made to the University of Alaska. AS 14.40.280 appears to require the department to take custody of all monetary gifts regardless of whether the gifts are restricted or unrestricted or whether the gifts were intended to be made to the permanent trust fund under AS 14.40.400. Accordingly, this bill would appropriately limit the Department of Revenue's control of University of Alaska monetary gifts to those made specifically for the purpose of the separate trust fund administered by the Department of Revenue under AS 14.40.400.

Sincerely,

Jay S. Hammond  
Governor

Introduced: 1/15/76  
Referred: Finance

1 IN THE SENATE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2 SENATE BILL NO. 518

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the functions of the Department  
7 of Revenue regarding monetary gifts to the University  
8 of Alaska; and providing for an effective date."

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

10 \* Section 1. AS 14.40.280 is amended to read:

11 Sec. 14.40.280. ENDOWMENTS AND DONATIONS. All monetary gifts,  
12 bequests or endowments which are made to the university for the pur-  
13 pose of the separate trust fund created under sec. 400 of this chapter  
14 shall be transferred [OTHER THAN STATE APPROPRIATIONS AND FEDERAL  
15 ALLOTMENTS, RECEIVED FOR THE UNIVERSITY EXPANSION PROGRAM OR OTHER USE  
16 SHALL BE TURNED OVER] to the Department of Revenue. The Department of  
17 Revenue shall manage that money in accordance with [SHALL DEPOSIT THEM  
18 IN THE SEPARATE FUND ESTABLISHED AND MAINTAINED UNDER] sec. 400 of  
19 this chapter. Title to and control or possession of [TO] land, [AND]  
20 personal property, and all money other than that transferred to the  
21 Department of Revenue [MONEY], which is devised, bequeathed or given  
22 to the university shall be taken by the university in its corporate  
23 capacity acting by and through the regents or an authorized agent, and  
24 shall be entered in the perpetual inventory of the university.

25 \* Sec. 2. AS 14.40.400(a) is amended to read:

26 (a) The Department of Revenue shall establish a separate fund in  
27 which all money derived from the sale or lease of the lands granted  
28 under the Act of Congress approved January 21, 1929, and in which all  
29 monetary gifts, bequests or endowments made to the university for the

1        purpose of the fund, shall be held in trust.

2        \* Sec. 3. This Act takes effect immediately in accordance with AS 01.-  
3 10.070(c).

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Introduced: 1/15/76  
Referred: Finance

1 IN THE SENATE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2 SENATE BILL NO. 518

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the functions of the Department  
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9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

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18 IN THE SEPARATE FUND ESTABLISHED AND MAINTAINED UNDER] sec. 400 of  
19 this chapter. Title to and control or possession of [TO] land, [AND]  
20 personal property, and all money other than that transferred to the  
21 Department of Revenue [MONEY], which is devised, bequeathed or given  
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JAN 1 1976

JAN 15 1976

SB518

The Honorable Chancy Croft  
President of the Senate  
Alaska State Legislature  
Juneau, Alaska 99311

Dear Mr. President:

In accordance with AS 24.30.060(b) and the Uniform Rules of the Alaska State Legislature, I am transmitting a bill which limits the functions of the Department of Revenue with regard to monetary gifts received by the University of Alaska.

Some confusion has arisen as to the functions of the Department of Revenue regarding the receipt of monetary gifts made to the University of Alaska. AS 14.40.280 appears to require the department to take custody of all monetary gifts regardless of whether the gifts are restricted or unrestricted or whether the gifts were intended to be made to the permanent trust fund under AS 14.40.400. Accordingly, this bill would appropriately limit the Department of Revenue's control of University of Alaska monetary gifts to those made specifically for the purpose of the separate trust fund administered by the Department of Revenue under AS 14.40.400.

Sincerely,

Jay S. Hammond  
Governor

THE LEGISLATURE OF THE STATE OF ALASKA  
FISCAL NOTE

Second Session - Ninth Legislature

I. REQUEST

Bill No. \_\_\_\_\_ Senate Bill No. 518  
 Title: A bill revising the receipting of University of Alaska Permanent Fund  
 Requested by: Senate Finance Committee Date: January 16, 1976  
 Return Date Requested: January 21, 1976  
 Agency: Revenue Program: Treasury

II. FISCAL DETAIL

Budget Request Unit(s) Affected: None

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

B. FUNDING: (Thousands of dollars)

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	/	/	/	/	/
MAN MONTHS (P./T.)	/	/	/	/	/	/

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

There is no fiscal impact that may be measured related to this measure.

IV. ATTACHMENTS

V. DATE: Jan. 21, 1976

PREPARED BY: Lawrence C. Eppembach

Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA  
FISCAL NOTE

Second Session - Ninth Legislature

I. REQUEST

Bill No. Senate Bill No. 518  
 Title: A bill revising the receipting of University of Alaska Permanent Fund.  
 Requested by: Senate Finance Committee Date: January 16, 1976  
 Return Date Requested: January 21, 1976  
 Agency: Revenue Program: Treasury

II. FISCAL DETAIL

Budget Request Unit(s) Affected: None

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

B. FUNDING: (Thousands of dollars)

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	/	/	/	/	/
MAN MONTHS (P./T.)	/	/	/	/	/	/

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

There is no fiscal impact that may be measured related to this measure.

IV. ATTACHMENTS

V. DATE: Jan. 21, 1976 PREPARED BY: Lawrence C. Eppenbach

Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)



# RECORDS CERTIFICATION



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James O. Smith  
Signature of Camera Operator

2/8/90  
Date

COMMITTEE REPORT

1/27/76

SENATE

Mr. President:

Date 1/29/76

The Committee on FINANCE has had SB 521 relating to ~~gifts and income received by the Alaska Historical Commission~~ under consideration. A Majority of the members of the Committee

- recommends it DO PASS
- recommends it DO NOT PASS
- recommends it DO PASS WITH ATTACHED AMENDMENT(S)
- recommends it BE REPLACED WITH CS FOR \_\_\_\_\_ AND THAT  
CS FOR \_\_\_\_\_ DO PASS
- "and" recommends it BE REFERRED TO THE \_\_\_\_\_  
COMMITTEE
- reports it back WITHOUT RECOMMENDATION
- "other"

Members signing the Majority report:

Bill Kay \_\_\_\_\_  
Alan Sorenson \_\_\_\_\_  
John Chance \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Members NOT concurring in the Majority report:

\_\_\_\_\_ recommends:  
 \_\_\_\_\_ recommends:  
 \_\_\_\_\_ recommends:  
 \_\_\_\_\_ recommends:  
 \_\_\_\_\_ recommends:

Bill Kay Chairman

A M E N D M E N T

Offered in the SENATE

By FENAIOR

To: \_\_\_\_\_ SENATE BILL NO. 521

\_\_\_\_\_ HOUSE BILL NO. \_\_\_\_\_

AMENDMENT: Page 1 Line 20 - 23

Delete Sec. 3.

Introduced: 1/15/76  
Referred: Health, Education  
and Social Services and  
Finance

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

1 IN THE SENATE

2 SENATE BILL NO. 521

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to gifts and income received by  
7 the Alaska Historical Commission; and providing for  
8 an effective date."

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

10 \* Section 1. AS 44.19 is amended by adding a new section to read:

11 Sec. 44.19.501. GIFTS AND INCOME. (a) There is established in  
12 the state general fund a special Alaska Historical Commission receipts  
13 account into which shall be paid:

14 (1) all monetary gifts, grants, and bequests received by  
15 the commission;

16 (2) all royalties and other income which the commission  
17 receives from its projects.

18 (b) The legislature may appropriate funds from this account for  
19 commission projects.

20 \* Sec. 2. If an executive order of the governor placing the Alaska  
21 Historical Commission in the Department of Education is not rejected by the  
22 legislature, the Revisor of Statutes shall appropriately re-number the  
23 section of the Alaska Statutes enacted in Section 1 of this Act.

24 \* Sec. 3. This Act takes effect July 1, 1976.  
25  
26  
27  
28  
29

Introduced: 1/15/76  
Referred: Health, Education  
and Social Services and  
Finance

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

1 IN THE SENATE

2 SENATE BILL NO. 521

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

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7 the Alaska Historical Commission; and providing for  
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22 legislature, the Revisor of Statutes shall appropriately re-number the  
23 section of the Alaska Statutes enacted in Section 1 of this Act.

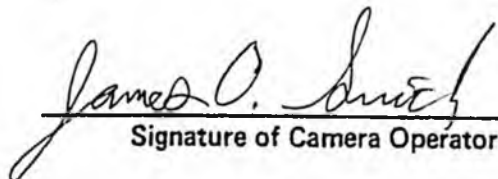
24 \* Sec. 3. This Act takes effect July 1, 1976.  
25  
26  
27  
28  
29

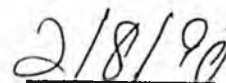


# RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

  
Signature of Camera Operator

  
Date

# COMMITTEE REPORT

4/8/76

HOUSE

Mr. Speaker:

Date 5-14-76

The Committee on FINANCE has had SB 521 am

under consideration. A Majority of the members of the Committee

recommends it DO PASS

recommends it DO NOT PASS

recommends it DO PASS WITH ATTACHED AMENDMENT(S)

recommends it BE REPLACED WITH CS FOR \_\_\_\_\_ AND THAT

CS FOR \_\_\_\_\_ DO PASS

"and" recommends it BE REFERRED TO THE \_\_\_\_\_

COMMITTEE

reports it back WITHOUT RECOMMENDATION

"other"

Members signing the Majority report:

<u>[Signature]</u>	<u>[Signature]</u>	_____
<u>[Signature]</u>	<u>[Signature]</u>	_____
<u>[Signature]</u>	<u>[Signature]</u>	_____
<u>[Signature]</u>	<u>[Signature]</u>	_____

Members NOT concurring in the Majority report:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

[Signature] Chairman

Introduced: 1/15/76  
Referred: Health, Education  
and Social Services and  
Finance

BY THE RULES COMMITTEE  
BY REQUEST OF THE GOVERNOR

1 IN THE SENATE

2 SENATE BILL NC. 521 am

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to gifts and income received by the  
7 Alaska Historical Commission; and providing for an  
8 effective date."

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

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11 Sec. 44.19.501. GIFTS AND INCOME. (a) There is established in  
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15 commission;

16 (2) all royalties and other income which the commission  
17 receives from its projects.

18 (b) The legislature may appropriate funds from this account for  
19 commission projects.

20 \* Sec. 2. This Act takes effect July 1, 1976.

Introduced: 1/15/76  
Referred: Health, Education  
and Social Services and  
Finance

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

1 IN THE SENATE

2 SENATE BILL NO. 521

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

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16 (2) all royalties and other income which the commission  
17 receives from its projects.

18 (b) The legislature may appropriate funds from this account for  
19 commission projects.

20 \* Sec. 2. If an executive order of the governor placing the Alaska  
21 Historical Commission in the Department of Education is not rejected by the  
22 legislature, the Revisor of Statutes shall appropriately re-number the  
23 section of the Alaska Statutes enacted in Section 1 of this Act.

24 \* Sec. 3. This Act takes effect July 1, 1976.  
25  
26  
27  
28  
29

THE LEGISLATURE OF THE STATE OF ALASKA  
FISCAL NOTE

Second Session - Ninth Legislature

I. REQUEST

Bill No. SB 521

Title: "An Act relating to gifts and income received by Alaska Historical

Requested by: Rules by Request of the Governor Date: \_\_\_\_\_

Return Date Requested: \_\_\_\_\_

Agency: Office of the Governor Program: Alaska Historical Commission

II. FISCAL DETAIL

Budget Request Unit(s) Affected: "None"

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES					/	
700 GRANTS, CLAIMS, ETC.						
TOTAL						

B. FUNDING: (Thousands of dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	/	/	/	/	/
MAN MONTHS (P./T.)	/	/	/	/	/	/

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

IV. ATTACHMENTS

V. DATE: January 5, 1976 PREPARED BY: Marian L. Endicott

Original: Legislative Finance  
cc: Budget and Management  
Prime Sponsor (First Legislator Named)

JAN 15 1976

SB 521

The Honorable Chancy Croft  
President of the Senate  
Alaska State Legislature  
Juneau, Alaska 99811

Dear Mr. President:

In accordance with AS 24.30.060(b) and the Uniform Rules of the Alaska State Legislature, I am transmitting a bill providing for the establishment of a special account in the general fund for gifts and income received by the Alaska Historical Commission.

Many potential donors of financial gifts or bequests seek some assurance that any money they may give to the Alaska Historical Commission will be used to fund the projects of the Commission, and not to satisfy other State needs. This bill should encourage that sort of private support of the Commission's activities.

Also, royalties from publication projects would be more readily identifiable as a source of funding for future projects if they were paid into a special account in the general fund.

Sincerely,

Jay S. Hammond  
Governor



# RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James O. Smith  
Signature of Camera Operator

2/8/90  
Date

# COMMITTEE REPORT

4/27/76

## HOUSE

Mr. Speaker:

Date 5-26-76

The Committee on FINANCE has had SB 529 am

under consideration. A Majority of the members of the Committee

recommends it DO PASS

recommends it DO NOT PASS

recommends it DO PASS WITH ATTACHED AMENDMENT(S)

recommends it BE REPLACED WITH HCS FOR SB 529 AND THAT

HCS FOR SB 29 (2) DO PASS

"and" recommends it BE REFERRED TO THE \_\_\_\_\_

COMMITTEE

reports it back WITHOUT RECOMMENDATION

"other"

Members signing the Majority report:

<u>[Signature]</u>	<u>[Signature]</u>	_____
<u>[Signature]</u>	<u>[Signature]</u>	_____
_____	_____	_____
_____	_____	_____

Members NOT concurring in the Majority report:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

[Signature] Chairman

Original sponsor: Rules Committee  
by request of the Governor

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 HOUSE CS FOR SENATE BILL NO. 529 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to property tax exemptions; and pro-  
7 viding for an effective date."

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

9 \* Section 1. AS 29.53.020(g) and (h) are amended to read:

10 (g) The state shall reimburse a borough or city, as appropriate,  
11 for the real property tax revenues lost to it by the operation of (e)  
12 of this section. However, reimbursement will be made to a borough or  
13 city for revenue lost to it only to the extent that the loss exceeds  
14 an exemption which was granted by the borough or city, or which upon  
15 proper application by an individual would have been granted by the  
16 borough or city, under sec. 25(a) of this chapter.

17 (h) Except as provided in (g) of this section, nothing [NOTHING]  
18 in (e) - (i) of this section affects similar exemptions from property  
19 taxes granted by municipalities on September 10, 1972 or prevents  
20 municipalities from granting similar exemptions by ordinance as provided  
21 in sec. 25 of this chapter. [HOWEVER, UNDER (e) - (i) OF THIS SECTION  
22 ONLY THE AMOUNT OF REVENUE LOST TO THE MUNICIPALITY BY REASON OF THE  
23 EXEMPTION AUTHORIZED IN THOSE PROVISIONS MAY BE REIMBURSED TO THE MUNI-  
24 CIPALITY BY THE STATE.]

25 \* Sec. 2. AS 29.53.035(a) is amended to read:

26 (a) Farm use lands included in a farm unit and not dedicated or  
27 being used for nonfarm purposes shall be assessed on the basis of full  
28 and true value for farm use, and shall not be assessed as if subdivided  
29 or used for some other nonfarm purpose. The assessor shall maintain

1 records valuing the farm use land for both full and true value and farm  
2 use value. Should the farm use land be sold, leased, or otherwise  
3 disposed of [,] for uses incompatible with farm use [OTHER THAN FARM USE  
4 PURPOSES] or be converted to a use incompatible with farm use [NONFARM  
5 USE] by the owner, the owner shall be liable to pay an amount equal to  
6 the additional tax at the current mill levy together with eight [FIVE]  
7 per cent interest for the preceding seven years, as though the land had  
8 not been assessed for farm use purposes. Payment by the owner shall be  
9 made to the state to the extent of its reimbursement for revenue loss  
10 under (e) of this section for the preceding seven years. The balance  
11 of the payment shall be made to the city or borough. The Department of  
12 Community and Regional Affairs shall, at the time of reimbursement, file  
13 a lien on each farm unit in favor of the state for that unit's pro rata  
14 portion of the amount reimbursed under this section. Each lien is  
15 effective for seven years after the date it is filed.

16 \* Sec. 3. AS 29.53.035(b) and (c) are amended to read:

17 (b) An owner of farm use land must, to secure the assessment,  
18 make application to the assessor before February 1 of each year in which  
19 the assessment is desired, but during the same year the governing body  
20 of the municipality for good cause shown may waive the claimant's failure  
21 to make timely application for the exemption for that year and authorize  
22 the assessor to accept the application as if timely filed. The appli-  
23 cation shall be made upon forms prescribed by the state assessor for the  
24 use of the local assessor and shall include information which may  
25 reasonably be required to determine the entitlement of the applicant.  
26 If the farm use land is leased for farm use purposes, the applicant  
27 shall furnish to the assessor a copy of the lease bearing the signatures  
28 of both lessee and lessor along with the completed application. The  
29 applicant shall furnish the assessor a copy of the lease covering the

1 period for which the exemption is requested.

2 (c) In this section "farm use" means the use of land for raising  
3 and harvesting crops or for the feeding, breeding and management of  
4 livestock or for dairying or another agricultural use for profit or any  
5 combination thereof. To be farm use land, the owner or the lessee must  
6 be actively engaged in farming the land [,] and derive a minimum of \$25  
7 gross farm income per acre yearly or at least 10 per cent of his yearly  
8 gross income from the farm use land except if a crop failure caused by  
9 an act of God occurred the previous year the land is farm use land if  
10 the owner or lessee submits an affidavit that at least 10 per cent of  
11 his gross income or a minimum of \$25 gross farm income per acre was  
12 derived from farming for each of the past three years. The provisions  
13 of this section do not apply to land respecting which the owner has  
14 granted, and has outstanding, a lease or option to buy the surface  
15 rights. A property owner wishing to file for farm use classification  
16 having no history of farm-related income may submit a declaration of  
17 intent at the time of filing the application with the assessor setting  
18 out the intended use of the land and the anticipated [PERCENTAGE OF]  
19 income. An applicant using this procedure shall file with the assessor  
20 before February 1 of the following year a notarized statement of the  
21 [PERCENTAGE OF] gross income attributable to the farm use land. Failure  
22 to make the filing required in this subsection forfeits the exemption.

23 \* Sec. 4. Section 2 of this Act is retroactive to January 1, 1975.

24 \* Sec. 5. This Act takes effect immediately in accordance with AS 01.10.--

25 070(c).

Original sponsor: Rules Committee  
by request of the Governor

Offered: 4/27/76  
Referred: Finance

1 IN THE SENATE BY THE COMMUNITY AND  
REGIONAL AFFAIRS COMMITTEE

2 HOUSE CS FOR SENATE BILL NO. 529  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to property tax exemptions; and pro-  
7 viding for an effective date."

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

9 \* Section 1. AS 29.53.020(g) and (h) are amended to read:

10 (g) The state shall reimburse a borough or city, as appropriate,  
11 for the real property tax revenues lost to it by the operation of (e)  
12 of this section. However, reimbursement will be made to a borough or  
13 city for revenue lost to it only to the extent that the loss exceeds  
14 an exemption which was granted by the borough or city, or which upon  
15 proper application by an individual would have been granted by the  
16 borough or city, under sec. 25(a) of this chapter.

17 (h) Except as provided in (g) of this section, nothing [NOTHING]  
18 in (e) - (i) of this section affects similar exemptions from property  
19 taxes granted by municipalities on September 10, 1972 or prevents  
20 municipalities from granting similar exemptions by ordinance as provided  
21 in sec. 25 of this chapter. [HOWEVER, UNDER (e) - (i) OF THIS SECTION  
22 ONLY THE AMOUNT OF REVENUE LOST TO THE MUNICIPALITY BY REASON OF THE  
23 EXEMPTION AUTHORIZED IN THOSE PROVISIONS MAY BE REIMBURSED TO THE MUNI-  
24 CIPALITY BY THE STATE.]

25 \* Sec. 2. AS 29.53.035(a) is amended to read:

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27 being used for nonfarm purposes shall be assessed on the basis of full  
28 and true value for farm use, and shall not be assessed as if subdivided  
29 or used for some other nonfarm purpose. The assessor shall maintain

1 records valuing the farm use land for both full and true value and farm  
2 use value. Should the farm use land be sold, leased, or otherwise  
3 disposed of [,] for uses incompatible with farm use [OTHER THAN FARM USE  
4 PURPOSES] or be converted to a use incompatible with farm use [NONFARM  
5 USE] by the owner, the owner shall be liable to pay an amount equal to  
6 the additional tax at the current mill levy together with eight [FIVE]  
7 per cent interest for the preceding seven years, as though the land had  
8 not been assessed for farm use purposes. Payment by the owner shall be  
9 made to the state to the extent of its reimbursement for revenue loss  
10 under (e) of this section for the preceding seven years. The balance  
11 of the payment shall be made to the city or borough. The Department of  
12 Community and Regional Affairs shall, at the time of reimbursement, file  
13 a lien on each farm unit in favor of the state for that unit's pro rata  
14 portion of the amount reimbursed under this section. Each lien is  
15 effective for seven years after the date it is filed.

16 \* Sec. 3. AS 29.53.035(b) and (c) are amended to read:

17 (b) An owner of farm use land must, to secure the assessment,  
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20 of the municipality for good cause shown may waive the claimant's failure  
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22 the assessor to accept the application as if timely filed. The appli-  
23 cation shall be made upon forms prescribed by the state assessor for the  
24 use of the local assessor and shall include information which may  
25 reasonably be required to determine the entitlement of the applicant.  
26 If the farm use land is leased for farm use purposes, the applicant  
27 shall furnish to the assessor a copy of the lease bearing the signatures  
28 of both lessee and lessor along with the completed application. The  
29 applicant shall furnish the assessor a copy of the lease covering the

1 period for which the exemption is requested.

2 (c) In this section "farm use" means the use of land for raising  
3 and harvesting crops or for the feeding, breeding and management of  
4 livestock or for dairying or another agricultural use for profit or any  
5 combination thereof. To be farm use land, the owner or the lessee must  
6 be actively engaged in farming the land [,] and derive a minimum of \$25  
7 gross farm income per acre yearly <sup>OR</sup> ~~AT~~ LEAST 10 PER CENT OF HIS YEARLY  
8 GROSS INCOME from the farm use land. The provisions of this section do  
9 not apply to land respecting which the owner has granted, and has  
10 outstanding, a lease or option to buy the surface rights. A property  
11 owner wishing to file for farm use classification having no history of  
12 farm-related income may submit a declaration of intent at the time of  
13 filing the application with the assessor setting out the intended use of  
14 the land and the anticipated ~~percentage of~~ income. An applicant using  
15 this procedure shall file with the assessor before February 1 of the  
16 following year a notarized statement of the ~~percentage of~~ gross income  
17 attributable to the farm use land. Failure to make the filing required  
18 in this subsection forfeits the exemption.

19 \* Sec. 4. Section 2 of this Act is retroactive to January 1, 1975.

20 \* Sec. 5. This Act takes effect immediately in accordance with AS 01.10.-

21 070(c).

23 (d)

26 #Wobles  
3-1-1975

Introduced: 1/19/76  
Referred: Community and  
Regional Affairs

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

1 IN THE SENATE

2 SENATE BILL NO. 529 am

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to property tax exemptions; and pro-  
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9 \* Section 1. AS 29.53.020(g) is amended to read:

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13 city for revenue lost to it only to the extent that the loss exceeds  
14 an exemption which was granted by the borough or city, or which upon  
15 proper application by an individual would have been granted by the  
16 borough or city, under sec. 25(a) of this chapter.

17 \* Sec. 2. AS 29.53.020(h) is amended to read:

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22 provided in sec. 25 of this chapter. [HOWEVER, UNDER (e)--(i) OF THIS  
23 SECTION ONLY THE AMOUNT OF REVENUE LOST TO THE MUNICIPALITY BY REASON  
24 OF THE EXEMPTION AUTHORIZED IN THOSE PROVISIONS MAY BE REIMBURSED TO  
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29 and true value for farm use, and shall not be assessed as if sub-

1 divided or used for some other nonfarm purpose. The assessor shall  
2 maintain records valuing the farm use land for both full and true  
3 value and farm use value. Should the farm use land be sold, leased,  
4 or otherwise disposed of [,] for uses incompatible with farm use  
5 [OTHER THAN FARM USE PURPOSES] or be converted to a use incompatible  
6 with farm use [NONFARM USE] by the owner, the owner shall be liable to  
7 pay an amount equal to the additional tax at the current mill levy  
8 together with eight [FIVE] per cent interest for the preceding seven  
9 years, as though the land had not been assessed for farm use purposes.  
10 Payment by the owner shall be made to the state to the extent of its  
11 reimbursement for revenue loss under (e) of this section for the  
12 preceding seven years. The balance of the payment shall be made to the  
13 city or borough.

14 \* Sec. 4. Section 3 of this Act is retroactive to January 1, 1975.

15 \* Sec. 5. This Act takes effect immediately in accordance with AS 01.-  
16 10.070(c).

Introduced: 1/19/76  
Referred: Community and  
Regional Affairs

1 IN THE SENATE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2 SENATE BILL NO. 529

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

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12 of this section. However, reimbursement will be made to a borough or  
13 city for revenue lost to it only to the extent that the loss exceeds  
14 an exemption granted, or which upon proper application by an individual  
15 would be granted, by the borough or city under sec. 25(a) of this  
16 chapter.

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21 municipalities from granting similar exemptions by ordinance as  
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1 divided or used for some other nonfarm purpose. The assessor shall  
2 maintain records valuing the farm use land for both full and true  
3 value and farm use value. Should the farm use land be sold, leased,  
4 or otherwise disposed of, for other than farm use purposes or be con-  
5 verted to nonfarm use by the owner, the owner shall be liable to pay  
6 an amount equal to the additional tax together with five per cent  
7 interest for the preceding seven years, as though the land had not  
8 been assessed for farm use purposes. Payment by the owner shall be  
9 made to the state to the extent of its reimbursement for revenue loss  
10 under (e) of this section for the preceding seven years. The balance  
11 of the payment shall be made to the city or borough. The Department  
12 of Community and Regional Affairs shall, at the time of reimbursement,  
13 file a lien on each farm unit in favor of the state for that unit's pro  
14 rata portion of the amount reimbursed under this section. Each lien is  
15 effective for seven years after the date it is filed.

16 \* Sec. 4. Section 3 of this Act is retroactive to January 1, 1975.

17 \* Sec. 5. This Act takes effect immediately in accordance with AS 01.-  
18 10.070(c).

Place in file

HR

Dozier

prop

no

fiscal  
on

impact

SB 529  
(farm land  
prop. tax  
exemp.)

No fiscal impact.

# STATE OF ALASKA

**DEPT. OF COMMUNITY & REGIONAL AFFAIRS**

*DIVISION OF LOCAL GOVERNMENT ASSISTANCE*

JAY S. HAMMOND, Governor

*POUCH B - JUNEAU 99811*

May 5, 1976

The Honorable Hugh Malone  
House Finance Committee  
Alaska State Legislature  
Pouch V  
Juneau, Alaska 99811

Re: House CS for Senate Bill No. 529

Dear Mr. Malone:

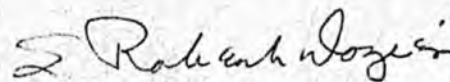
House Bill No. 529 is now before the House Finance Committee for consideration.

The House Community and Regional Affairs Committee Amendment deleted the percentage of gross income eligibility formula in subsection (c) and adopted a more acceptable productivity formula.

The purpose of this letter is to call your attention to the need for deletion of all subsequent language in both subsection (c) and (d) of AS 29.53.035, which relates to the deleted percentage of income formula.

A copy of the bill with recommended additions and deletions to AS 29.53.035 is enclosed for your consideration.

Very truly yours,



S. Robert Dozier  
State Assessor

SRD:g1

Enclosure:

STATE OF ALASKA  
Inter-Department Route Slip

TO:

MAIL STATION NUMBER \_\_\_\_\_

DEPARTMENT \_\_\_\_\_

ATTENTION Hugh Malone, Chm.

- |  |  |
|--|--|
| <input type="checkbox"/> Approval      | <input type="checkbox"/> Note & Return       |
| <input type="checkbox"/> Signature     | <input type="checkbox"/> Initial & Return    |
| <input type="checkbox"/> Comment       | <input type="checkbox"/> Return As Requested |
| <input type="checkbox"/> Contact Me    | <input type="checkbox"/> Return For Approval |
| <input type="checkbox"/> Prepare Reply | <input type="checkbox"/> Necessary Action    |
| <input type="checkbox"/> For Your File | <input type="checkbox"/> Your Information    |

Remarks: *Per my request for Committee consideration of this bill, attached is correspondence outlining State Assessor's recommendations for your consideration. Any questions on suggested amendments can be directed to Bob Dozer (4730) or me (4707). Thank*

FROM:

DEPARTMENT DC&RA

DIVISION Local Gov't Ass't

MAIL STATION NUMBER 2100

BY Palmer Melton DATE 5/20/76

Director

May 5, 1976

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Alaska State Legislature  
Pouch V  
Juneau, Alaska 99811

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Dear Mr. Malone:

House Bill No. 529 is now before the House Finance Committee for consideration.

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The purpose of this letter is to call your attention to the need for deletion of all subsequent language in both subsection (c) and (d) of AS 29.53.035, which relates to the deleted percentage of income formula.

A copy of the bill with recommended additions and deletions to AS 29.53.035 is enclosed for your consideration.

Very truly yours,

S. Robert Dozier  
State Assessor

SRD:gl

Enclosure:

1 period for which the exemption is requested.

2 (c) In this section "farm use" means the use of land for raising  
3 and harvesting crops or for the feeding, breeding, and management of  
4 livestock or for dairying, or another agricultural use for profit or any  
5 combination thereof. To be farm use land, the owner or the lessee must  
6 be actively engaged in farming the land [,] and derive a minimum of \$25  
7 gross farm income per acre yearly [AT LEAST 10 PER CENT OF HIS YEARLY  
8 GROSS INCOME] from the farm use land. The provisions of this section do  
9 not apply to land respecting which the owner has granted, and has  
10 outstanding, a lease or option to buy the surface rights. A property  
11 owner wishing to file for farm use classification having no history of  
12 farm-related income may submit a declaration of intent at the time of  
13 filing the application with the assessor setting out the intended use of  
14 the land and the anticipated <sup>Amount</sup> [percentage] of income. An applicant using  
15 this procedure shall file with the assessor before February 1 of the  
16 following year a notarized statement of the <sup>Amount</sup> [percentage] of gross income  
17 attributable to the farm use land. Failure to make the filing required  
18 in this subsection forfeits the exemption.

19 \* Sec. 4. Section 2 of this Act is retroactive to January 1, 1975.

20 \* Sec. 5. This Act takes effect immediately in accordance with AS 01.10.-

21 070(c).

22  
23 (d) In the event of a crop failure by an act of God the previous  
24 year, the owner or lessee may submit an affidavit that 10 PERCENT OF  
25 HIS GROSS INCOME <sup>of</sup> a minimum of \$25 gross farm income per acre was derived  
26 for each of the past three years.  
27 [WAS FROM FARMING]

from  
farmer  
for each of  
the past  
3 yrs

Introduced: 1/19/76  
Referred: Community and  
Regional Affairs

1 IN THE SENATE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2 SENATE BILL NO. 529 am

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to property tax exemptions; and pro-  
7 viding for an effective date."

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

9 \* Section 1. AS 29.53.020(g) is amended to read:

10 (g) The state shall reimburse a borough or city, as appropriate,  
11 for the real property tax revenues lost to it by the operation of (e)  
12 of this section. However, reimbursement will be made to a borough or  
13 city for revenue lost to it only to the extent that the loss exceeds  
14 an exemption which was granted by the borough or city, or which upon  
15 proper application by an individual would have been granted by the  
16 borough or city, under sec. 25(a) of this chapter.

17 \* Sec. 2. AS 29.53.020(h) is amended to read:

18 (h) Except as provided in (g) of this section, nothing [NOTHING]  
19 in (e)--(i) of this section affects similar exemptions from property  
20 taxes granted by municipalities on September 10, 1972 or prevents  
21 municipalities from granting similar exemptions by ordinance as  
22 provided in sec. 25 of this chapter. [HOWEVER, UNDER (e)--(i) OF THIS  
23 SECTION ONLY THE AMOUNT OF REVENUE LOST TO THE MUNICIPALITY BY REASON  
24 OF THE EXEMPTION AUTHORIZED IN THOSE PROVISIONS MAY BE REIMBURSED TO  
25 THE MUNICIPALITY BY THE STATE.]

26 \* Sec. 3. AS 29.53.035(a) is amended to read:

27 (a) Farm use lands included in a farm unit and not dedicated or  
28 being used for nonfarm purposes shall be assessed on the basis of full  
29 and true value for farm use, and shall not be assessed as if sub-

1 divided or used for some other nonfarm purpose. The assessor shall  
2 maintain records valuing the farm use land for both full and true  
3 value and farm use value. Should the farm use land be sold, leased,  
4 or otherwise disposed of [,] for uses incompatible with farm use  
5 [OTHER THAN FARM USE PURPOSES] or be converted to a use incompatible  
6 with farm use [NONFARM USE] by the owner, the owner shall be liable to  
7 pay an amount equal to the additional tax at the current mill levy  
8 together with eight [FIVE] per cent interest for the preceding seven  
9 years, as though the land had not been assessed for farm use purposes.  
10 Payment by the owner shall be made to the state to the extent of its  
11 reimbursement for revenue loss under (e) of this section for the  
12 preceding seven years. The balance of the payment shall be made to the  
13 city or borough.

14 \* Sec. 4. Section 3 of this Act is retroactive to January 1, 1975.

15 \* Sec. 5. This Act takes effect immediately in accordance with AS 01.-  
16 10.070(c).

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