

TERRITORY OF ALASKA

CHAPTER 174

AN ACT

To provide a uniform procedure in assessing, levying and collecting, including the foreclosure of, taxes among existing political subdivisions in Alaska with taxing authority; amending Secs. 16-1-111, 16-1-112, 16-1-121, 16-1-122, 16-1-125, 15-1-133, 37-3-53, ACLA 1949; Sec. 37-3-54 A, as amended by Ch. 96, SLA 1951, Ch. 124, SLA 1953, Ch. 63, SLA 1955; Secs. 49-2-28, 49-2-29, 49-2-30, ACLA 1949; repealing Secs. 16-1-123, 16-1-124, 16-1-126, 16-1-127, 16-1-128, 16-1-129, 16-1-130, 16-1-131; and declaring an effective date.

(C. S. for H. B. 136)

Be it enacted by the Legislature of the Territory of Alaska:

Section 1. **Purpose.** The purpose of this Act is to provide a uniform procedure in taxing, levying, and collecting, including the foreclosure of, taxes by municipalities, independent school districts and public utility districts, those political subdivisions now authorized and empowered to impose and collect taxes on real and personal property.

Sec. 2. Sec. 16-1-111, ACLA 1949 is hereby amended to read as follows:

Sec. 16-1-111. **Ordinance or Resolution as Method of Exercising Taxing Power: Separate Levies: Aggregate Amount of Levy.** The power granted to the council to assess, levy and collect a general tax for school and municipal purposes, as herein provided shall be exercised by means of general ordinances duly passed by such councils; provided, that the rate of levy and the date of equalization, and date when taxes shall become delinquent, shall be fixed by resolution, and the levy for school and municipal purposes shall be separately made and fixed, but the aggregate thereof shall not exceed three per cent

of the assessed value of the property assessed.

Sec. 3. Sec. 16-1-112, ACLA 1949, is hereby amended to read as follows:

Sec. 16-1-112. **Taxing Powers Exercisable by General Ordinance: Uniformity of Assessments: Classification of Property.** The council is empowered by general ordinance to provide for the annual assessment, levy and collection of such taxes in the manner provided by law upon all real and personal property within the limits of the corporation, and by such ordinance to fix the dates when such assessment shall be annually made; when taxes may become due; to require the listing of property subject to taxation by the owner or agent thereof; to provide for the collection of penalties for non-payment of taxes when due, not to exceed fifteen per centum of such tax, and interest at the rate not to exceed twelve (12) per centum per annum on delinquent taxes and to provide generally such other matters and things relative to the assessment and levy of such taxes as may be proper; provided, however, all assessments shall be

equal and uniform and based upon the actual value of the property assessed, and prior to fixing the rates of levy said council shall sit and publicly equalize the valuation of the property assessed as hereinafter prescribed. Provided further that the council by its general ordinance shall classify the different kinds of property for tax purposes and may grant exemptions therefrom as provided by Chapter 33, SLA 1953 and as otherwise provided by law.

Sec. 4. Manner of Listing Property. The assessor shall complete the listing of all real and personal property within the limits of the corporation before July 1st of each year. The listing of all taxable property may be made upon permanent separate ledger cards which will be the combined assessment roll and tax ledger. Real property shall be assessed to the owner of record as shown in the records of the U. S. Commissioner (and Ex-Officio Recorder of the Precinct); provided, however, that any other person having an interest in the property may be listed on the assessment records with the owner. The person in whose name any property is listed as owner thereof shall be conclusively presumed to be the legal owner of record. If the owner of land is unknown such land may be assessed to an "Unknown Owner" or "Unknown Owners". No assessment shall be invalidated by a mistake, omission or error in the name of the owner of the real property assessed, if the property is correctly described.

Sec. 5. Manner of Describing Property. The assessor may list real property located in any subdivision by lot and block or tract description, and un-subdivided property according to the land office section

and township survey description, or by giving the boundaries thereof, or by reference to the book and page of the records of the U. S. Commissioner where the description may be found, or by designation of tax lot number referring to a public record kept by the assessor of descriptions of real property, or in such other manner as to cause the description to be capable of being made certain. Initial letters, abbreviations, fractions and exponents to designate the township, range, section or part of a section, or the number of any lot or block or part thereof, or any distance, course, bearing or direction, may be employed in any such description of real property.

Sec. 6. Returns. Every person shall submit in duplicate to the assessor a return of any property owned by him, or in which he has an interest, and of the property held or controlled by him in a representative capacity, in the manner prescribed in this Act, which return shall be based on property values existing as of January 1 in the same year. For purposes of this, and other related Acts, the term "person" includes an individual, a partnership, a corporation, an association, an organization, a fiduciary and any other entity.

Sec. 7. — Contents Therein. The person making the return in every case shall state an address to which all notices required to be given to him under this Act may be mailed or delivered.

The return shall show the nature, quantity, description, amount and value of the property, the place where the property is situated, and said return shall be in such form and include such additional information as the council may prescribe,

and shall be signed and verified by the person liable or his or its authorized agent or representative.

Sec. 8. — Additional Information. The assessor may, by notice in writing to any person by whom a return has been made, require from him a further return containing additional details and more explicit particulars, and upon receipt of the notice, that person shall comply fully with its requirements within thirty days.

Sec. 9. Independent Investigation by Assessor. The assessor shall not be bound to accept as correct the return made by any person, but if he thinks it necessary or expedient, or if he suspects that a person who has not made a return has property subject to taxation he shall make an independent investigation as to the property of that person, and may make his own valuation and assessment of the taxable amount thereof, which shall be prima facie evidence for all legal purposes and proceedings.

Sec. 10. Power to Make Examinations. For the purpose of such examination, the assessor, personally or by any deputy designated by him, shall have a right of access to the premises and may examine any property thereon, and shall have access to and may examine all property records involved, and any person shall, upon request, furnish to the assessor or deputy every facility and assistance for the purposes of such examination.

An assessor may examine a person on oath or otherwise, and upon request of the assessor, the person shall present himself for examination by the assessor.

Sec. 11. Definition of True Value. Property shall be assessed at its

full and true value in money, as of January 1 of the assessment year. In determining the full and true value of property in money, the person making the return, or the assessor, as the case may be, shall not adopt a lower or different standard of value because the same is to serve as a basis of taxation, nor shall he adopt as a criterion of value the price for which the property would sell at auction, or at a forced sale, either separately or in the aggregate with all of the property in the taxing district, but he shall value the property at such sum as he believes the same to be fairly worth in money at the time of assessment.

Sec. 12. Content of Assessment Roll. The assessor shall prepare an annual assessment roll in duplicate, after consideration of all returns made to him pursuant to this Act, and after careful inquiry from such sources as he may deem reliable. On the roll he shall enter the following particulars:

(1) The names and last known addresses of all persons with property liable to assessment and taxation;

(2) A description of all taxable property;

(3) The assessed value, quantity, or amount of said property; and

(4) The arrears of taxes, if any, owing by any persons.

Sec. 13. Assessment Notice. The assessor, shall give to every person named in the assessment roll a notice of assessment, showing the assessed value of his property. On the back of each assessment notice shall be printed a brief summary for the information of the taxpayer, of the dates when the taxes are payable, delinquent, and subject to

interest and penalty, dates when the Board will sit for equalization purposes, and any other particulars specified by the council.

The assessment notice shall be directed to the person to whom it is to be given, and shall be sufficiently given if it is mailed by first class mail addressed to, or is delivered at, his address as last known to the assessor; or, if the address is not known to the assessor, the notice may be addressed to the person at the post office nearest to the place where the property is situated. The date on which the notice is mailed or is delivered shall be deemed to be the date on which the notice is given for purposes of this Act.

Sec. 14. Publication of Notice of Hearing. When all valuation notices have been mailed, the assessor shall cause to be published in a newspaper of general circulation which is published in the city at least once each week for two successive weeks a notice that the assessment rolls have been completed. In the event no newspaper of general circulation is published in the city, the assessor shall cause such notice to be posted at two public places for a period of two weeks. Such notice shall state when and where the equalization hearings shall be held.

Sec. 15. Corrections by Assessor. The assessor may correct any error or supply any omission made or arising in the preparation of the assessment roll at any time before the sitting of the Board of Equalization. It shall be the duty of every person receiving a notice of assessment to advise the assessor of any error or omission he may have observed in the assessment of his property, in order that the assessor may correct the same.

Sec. 16. Appeal by Person Assessed. Any person who receives notice or whose name appears on the assessment roll may appeal to the Board with respect to any alleged error in the valuation, overcharge, omission or neglect of the assessor not adjusted to the taxpayers satisfaction.

Sec. 17. Notice by Board. Whenever it appears to the Board that there are overcharges or errors or invalidities in the assessment roll, or in any of the proceedings leading up to or subsequent to the preparation of the roll, and there is no appeal before the Board by which the same may be dealt with, or where the name of any person is ordered by the Board to be entered on the assessment roll, by way of addition or substitution, for the purpose of assessment, the Board shall cause notice of assessment to be mailed by the assessor to that person or his agent giving him at least 30 days from the date of such mailing within which to appeal to the Board against the assessment.

Sec. 18. Filing of Appeal by Person Assessed. Notice of appeal, in writing, specifying the grounds for the appeal, shall be filed with the Board within 30 days after the date on which the assessor's notice of assessment was given to the person appealing. Such notice must contain a certification that a true copy thereof was mailed or delivered to the assessor. If notice of appeal is not given within that period, the right of appeal shall cease as to any matter within the jurisdiction of the Board, unless it is shown to the satisfaction of the Board that the taxpayer was unable to appeal within the time so limited.

A copy of the notice of appeal must be sent to the assessor as above indicated.

Sec. 19. Appeal Record. Upon receipt of the notice of appeal, the assessor shall make a record of the same in such form as the council may direct, which record shall contain all the information shown on the assessment roll in respect of the subject matter of the appeal, and the assessor shall place the same before the Board from time to time as may be required by the Board.

Sec. 20. Notice of Hearing. The Board shall cause a notice of the sitting at which the appeal is to be heard to be mailed by the assessor to the person by whom the notice of appeal was given, and to every other person in respect of whom the appeal is taken, to their respective addresses as last known to the assessor.

Sec. 21. Hearing of Appeal. At the time appointed for the hearing of the appeal or as soon thereafter as the appeal may be heard, the Board shall hear the appellant, the assessor, other parties to the appeal and their witnesses, and consider the testimony and evidence adduced, and shall determine the matters in question on the merits and render its decision accordingly.

If any party to whom notice was mailed as above set forth fails to appear, the Board may proceed with the hearing in his absence.

The burden of proof in all cases shall be upon the party appealing.

Sec. 22. Entry of Decisions. The Board shall from time to time enter in the appeal record its decision upon appeals brought before it, and shall certify to the same.

Sec. 23. Appeal to Court. Any person feeling aggrieved by any order of the Board shall have the right of appeal on a de novo basis to

the District Court for the Territory of Alaska in the division in which the said individual's property is located; provided, however, that the administrative remedy herein has been exhausted.

Sec. 24. Record of Proceedings. The clerk of the council shall be Ex-Officio Clerk of the Board of Equalization and shall record in the minutes of the meeting all proceedings before the Board, the names of all persons protesting assessments, all changes, revisions, corrections, and orders relating to claims or adjustments. Within three days following the final hearings of the Board the clerk shall transmit to the assessor all corrections, revisions, or changes authorized and approved by the Board and shall certify that the changes so reported are as approved by the Board of Equalization.

Sec. 25. Entry of Changes by Assessor. The assessor shall enter the changes, so certified, upon his records, and no assessed valuations shall thereafter be changed.

Sec. 26. Completion of Assessment Roll. After the hearings held by the Board of Equalization are concluded the assessor shall complete the annual assessment roll, at a time to be determined by the City Council, which shall be based on values as of January 1st immediately preceding, and he shall certify the same. Such supplementary assessment rolls shall be prepared and certified as may be necessary or expedient.

Sec. 27. Basis of Computation. All taxes to be levied or collected, except as otherwise provided, shall be calculated, levied and collected upon the assessed values entered in the assessment roll and certified by the assessor as correct, subject

to the tax payers' rights of appeal and to the corrections and amendments made in the rolls pursuant to this Act.

Sec. 28. Supplementary Assessment Rolls. All the duties imposed upon the assessor with respect to the annual assessment roll and all the provisions of this Act relating to assessment rolls shall, so far as applicable, apply to supplementary assessment rolls.

Sec. 29. Validity of Assessment Rolls. Every assessment roll as completed and certified by the assessor, and as corrected and amended by him from time to time in conformity with this Act and the decisions of the Board shall, except insofar as the same may be further amended as a result of an appeal to the court, as provided by this Act, be valid and binding on all persons, notwithstanding any defect, error, omission or invalidity existing in the assessment roll or any part thereof, and not withstanding any proceedings pertaining thereto.

Sec. 30. Delivery of Assessment Roll to Council. When the final assessment records have been completed by the assessor as herein provided, the assessor shall deliver to the council a statement of the total assessed valuation of all real and personal property within the city.

Sec. 31. Determining Tax Rate. The council shall thereupon fix the rate of tax levy and designate the number of mills upon each dollar of value of assessed taxable real and personal property that shall be levied, and shall levy said tax in accordance therewith.

Sec. 32. Mailing Tax Statements. The assessor shall then prepare and mail tax statements to the person or

persons listed as the owner on the tax rolls.

Sec. 33. Rates of Penalty and Interest. If the taxpayer is required to pay the entire tax on the due date set by the council, a penalty not to exceed fifteen per centum (15%) shall be added to all delinquent taxes, and interest at the rate of eight per centum (8%) per annum shall accrue upon all unpaid taxes (not including penalty) from due date until paid in full. If the taxpayer is given the right to pay such taxes in two installments and the first half is not paid when due, the entire tax becomes delinquent and penalty and interest accrue as hereinafter provided. If the first half be paid when due, the second half of such taxes shall be payable on the due date fixed by the council for such second half and if not paid shall be delinquent after such date. A penalty not to exceed eight per centum (8%) shall be added to all taxes delinquent until the due date fixed for payment of such second half, and interest at the rate of eight per centum (8%) per annum shall be charged on the whole of the unpaid taxes (not including penalty) from due date until paid in full. After the due date for the payment of the second half a total penalty of not to exceed fifteen per centum (15%) shall be added to all delinquent taxes, and interest at the rate of eight per centum (8%) per annum shall accrue, as herein provided, upon all unpaid taxes (not including penalty) from due date until paid in full.

Sec. 34. Sec. 16-1-121, ACLA 1949, be and the same is hereby amended to read as follows:

Sec. 16-1-121. Council May Enforce Lien by Sale. Whenever

the tax on real property shall not have been paid when due, the councils of municipal corporations, may enforce the lien of such tax by the sale of the property assessed, such sale to be made under the special proceeding hereinafter set forth, by order of the District Court of the division wherein the property assessed is situated.

Sec. 35. Sec. 16-1-122, ACLA 1949 is hereby amended to read as follows:

Sec. 16-1-122. **Delinquent Tax Roll: Preparation and Contents: Notice and Publication of Foreclosure List: Payments Prior to Sale.** Whenever the city councils elect to proceed under the provisions of this Act to enforce the lien of taxes against real property, the assessor, or other officer of the municipality theretofore designated by ordinance or resolution, shall within such time after such taxes become delinquent and due as the councils may direct, make up a roll in duplicate of all real property then subject to foreclosure. Such roll shall show therein the names of the persons appearing in the latest tax roll as the respective owners of the tax delinquent properties, a description of each such property as it appears on the latest tax roll, the year or years for which taxes are delinquent, the amount of delinquent taxes for each year and penalty and interest thereon accruing the day six months after the day of delinquency of taxes of the latest year. And thereon shall be endorsed under the hand of the clerk of the city and corporate seal, a certificate to the effect that said roll is a true and correct roll of the delinquent taxes of the

city for the years there shown. Said roll so made up shall be known as the foreclosure list of the city for the year in which the same is made up, the original of which shall be filed with the municipal clerk and remain open to inspection of the public. After the completion of the foreclosure list, the assessor or other officer designated by the council shall under the direction of the council cause to be published in the official newspaper of the corporation, or in a newspaper of general circulation in the city, to be designated by the council a notice under the hand of the clerk of the city, setting forth that the foreclosure list of real property for the year, naming it, has been completed and is open for public inspection at the office of the municipal clerk, and that on a certain day not less than thirty days after the publication, or posting, as the case may be, of such notice, the said foreclosure list will be presented to the district court of the division for judgment and order of sale.

On the day designated in the publication, a certified copy of the foreclosure list, together with a petition for judgment, shall be presented to the court. Notice of such foreclosure proceeding shall be given by four weekly publications of the foreclosure list in a newspaper of general circulation in the city, to be designated by the council, the first such publication to commence on the day of the filing of the list and petition. The price charged by the newspaper shall be at the legal rate as provided by law. The publication of the foreclosure list shall be sufficient service on each person interested in any of the prop-

erties, and it shall not be necessary to mail a copy of any notice to the owner or to any other person interested in the property.

In cities and towns in which no newspaper is published, the council may, in lieu of publication in a newspaper, cause the thirty-day notice that the foreclosure list will be presented to the district court for judgment and order of sale, and also the foreclosure list filed with the court to be posted at the front door of the post office and in three other conspicuous public places in such town or city. The posting of the foreclosure list shall be sufficient service on each person interested in any of the properties; provided, however, when the foreclosure list is not published in a newspaper but notice thereof is given by posting as above provided, the clerk of the municipality shall within ten days after such posting mail to each person to whom a tract is assessed, at his last known address, a notice describing the tract, the amount due as stated on the foreclosure list.

All persons owning or claiming to own, or having or claiming to have, any interest in any property, included in the foreclosure list, are charged with notice of such proceeding and of all steps thereunder.

During the time of the publication or posting of the foreclosure list and up to the time of sale any person may make payment on any piece or tract set forth therein, together with the penalty and interest, and proportionate share of the costs of publication and foreclosure; and the clerk, or other officer, shall make proper

notation of such payment on both the original delinquent tax roll and foreclosure list.

On receipt of the delinquent tax payments as to a particular property any time one week prior to the filing of the foreclosure list and petition, the tax collector shall remove the property from both the list and the petition.

Sec. 36. Notice of Foreclosure List to Lienholder. A mortgagee or other holder of a recorded lien on real property may file with the city clerk a request that notice of any foreclosure list including such real property be given to such mortgagee or other lienholder. The request shall contain the name and address of the person filing it, the description of the property and the name of the owner or reputed owner thereof, and the date of expiration of the mortgage or lien. Notice need not be given after expiration of the mortgage or lien, unless a further request therefor is filed. If the mortgagee or lien holder furnishes a duplicate form of request for the notice, the clerk shall certify thereon to the filing and return the duplicate to the person making the request. Whenever any property described in the request for notice is included in a foreclosure list the clerk shall send by registered mail written notice thereof to the mortgagee or other lienholder. At the time of mailing the notice, the clerk shall note that fact in ink in the latest tax roll opposite the description of the property. The notation in the tax roll is prima facie evidence that the notice was mailed. Where the same mortgagee or lienholder has filed requests for notices on two or more properties included in a foreclosure list, one notice may be issued covering all such properties.

Sec. 37. That Section 16-1-125, ACLA 1949, be amended to read as follows:

Sec. 16-1-125. Costs: Taxation, Payment and Apportionment: Lien For. The costs of publication of the foreclosure list and of the tax foreclosure proceedings shall be taxed by the clerk of the court and paid by the municipal corporation, but the same shall be apportioned by the clerk of the court to the several tracts ordered sold so that each such tract will bear its proportionate share of such costs, and the same shall thereafter be a charge against the tract to which it is proportioned.

Sec. 38. Foreclosure Proceedings—General. One general proceeding shall be brought on the part of the city to foreclose the tax liens against each of the properties included in the foreclosure list. The person whose name appears in the latest tax roll as the owner of any property therein described shall be considered and treated as the owner of the property. Each such proceeding shall be a proceeding in rem against the property itself. If in any tax roll it appears that the owner of any property is unknown, then such property shall be proceeded against as belonging to an unknown owner. Tax foreclosure proceedings under this Act shall be given priority over all other civil proceedings.

Sec. 39. Petition for Judgment and Decree Foreclosing Liens. On the day of the first publication, a certified copy of the foreclosure list shall be presented to the court of the division wherein the city is situated, together with a petition praying for a judgment and decree foreclosing the tax liens.

Sec. 40. Answer and Defense by Person Interested: Hearing: Evidence. Within 30 days after the filing of the petition any person owning or having any legal or equitable interest in, or a lien upon any tract listed in said foreclosure list, may file an answer and defense to the petition for judgment and decree. Such answer shall be in writing and specify the grounds of objection to the assessment or tax on the particular tract described in such answer and the court in a summary manner will hear and determine such objection and render such decision thereon as may be legal and just. At such hearing, the foreclosure list shall be prima facie evidence of the regularity and legality of the assessment and levy of the tax and that the same is unpaid, and no objection to the manner of the assessment and levy of the tax, or any of the subsequent proceedings shall be entertained by the court which does not affect the substantial rights of the party interposing the objection.

Sec. 41. Effect and Correction of Irregularity, Informality, Omission or Other Error. No assessment of property or charge for taxes shall be considered invalid because of: (a) An irregularity in an assessment roll; (b) An assessment roll not having been made, completed or returned within the time prescribed by law; (c) The property having been listed or charged in an assessment or tax roll without any name, or with a name other than that of the owner.

No error or informality on the part of any officer in connection with assessment, equalization, levy or collection shall vitiate or affect the assessment of the property or the taxes thereon. Any such ir-

regularity, informality, omission or other error may, in the discretion of the court, be corrected to conform to law.

Sec. 42. Judgment and Decree: Lien: Interest. Not less than thirty days after the filing of a petition for judgment and decree the court shall give judgment and decree for the delinquent taxes, penalty and interest appearing to be due on the several parcels of real property described in the petition; and shall decree that the several liens of such taxes be foreclosed. The judgment shall be a several judgment against and a lien on each parcel of property included therein. The several judgment shall bear interest at the rate of fifteen per centum (15%) from the date of entry thereof.

Sec. 43. Order for Sale of Properties to City: Certified Copy of Judgment and Decree as Certificate of Sale. The court shall order that the several properties, against which the judgment and decree is entered, shall be sold directly to the city for the respective amounts of taxes and interest for which the properties severally are liable. In the event answers have been filed the court may enter judgment against and order the sale of all other properties pending the determination of the subjects in controversy. The clerk of the court shall deliver to the city clerk a certified copy of the judgment and decree, included in which shall be a list of the properties so ordered sold, with the several amounts due thereon.

The certified copy shall constitute a certificate of sale to the city of the several properties described in the judgment and decree and no other certificate need to be issued.

Sec. 44. Judgment and Decree as Evidence and Estoppel. Any judgment and decree for the sale of real property to the city, on foreclosure for delinquent taxes, is conclusive evidence of its regularity and validity in all collateral proceedings, except where the taxes have been paid or the property was not liable to assessment and taxation. The judgment and decree is prima facie evidence that the taxes have not been paid and that the property was subject to taxation at the time it was assessed. The judgment and decree shall estop all persons raising objections thereto, or to the title based thereon, which existed at or before the date of the judgment and decree and could have been presented as an objection or defense to the application for the judgment and decree.

Sec. 45. Limitations on Proceedings Affecting Foreclosure Sale: Deposit of Judgment and Interest by Claimant. Every action, suit or proceeding, commenced for the purpose of determining the validity of a sale of real property on foreclosure for delinquent taxes, or to quiet title against such sale, or to remove the cloud thereof, or to recover possession of the property, shall be commenced within two years from the date of the judgment and decree of foreclosure and sale to the city, and not otherwise. In every such action, suit or proceeding any person claiming to be the owner of the property, as against the city, or any person holding title from the city, shall pay into court with the first pleading the amount charged against the property in the judgment and decree of foreclosure, together with interest thereon at the rate of fifteen per centum (15%) per year from the date of the judgment and decree to

the date of filing the pleading.

Sec. 46. Vacation of Judgment; Determining Value of Improvements by Purchaser and Rendering Judgment Therefor. Whenever the court vacates or sets aside a judgment and decree of foreclosure with respect to any particular property, the court shall determine the value of any improvements placed on the property by the city or by any purchaser from the city, and shall give judgment therefor and collect the same from the claimant before putting him in possession.

Sec. 47. Appeal: Appeal from any judgment and decree hereunder, or from any final order in the proceeding, may be taken in the manner provided by the Federal Rules of Civil Procedure.

Sec. 48. Period During Which Property Held by City; Redemption; Assessment During Redemption Period; Redemption of Part of Property. All real properties sold to the city pursuant to this Act shall be held by the city for the period of one year from and after the date of the judgment and decree of foreclosure, unless sooner redeemed. During the one-year period, any person having an interest in the property at the date of the judgment and decree of foreclosure, or any heir or devisee of such person, or any person holding a lien of record on the property, or any Independent School District or Public Utility District having a lien on the property, may redeem the property by payment of the full amount applicable to the property under the judgment and decree, with interest thereon as provided by law, and the costs charged against such property. Property so redeemed shall be subject to assessment for taxation dur-

ing the period of redemption, as though it had continued in private ownership. Any person holding a mortgage or other lien of record covering a part only of a particular parcel of real property included in the judgment and decree of foreclosure may redeem such part by payment of the proportionate amount applicable thereto under the judgment and decree.

Sec. 49. Release of Claims of City by Redemption; Entries by Clerk; Certificate of Redemption. The receipt of the redemption money by the clerk shall operate to release all claims of the city, under the judgment and decree of foreclosure, to the property so redeemed. The clerk, on receipt of the redemption money, shall immediately make the proper entries in the records of his office showing that the property has been redeemed from the sale to the city, and he shall deliver to the person redeeming the property a certificate of redemption. The certificate shall contain a description of the property so redeemed, the total amount paid, and the date of entry of the judgment and decree of foreclosure and sale. The certificate shall be signed by the Clerk or his deputy and shall be filed by the redemptioner with the U. S. Commissioner, and Ex Officio Recorder, who, on payment of the recording fee, shall enter the certificate in the proper records of his office. The Clerk of the Court then shall file the certificate of redemption as part of the judgment roll in the foreclosure proceeding. No fee shall be charged for the issuance of a certificate of redemption.

Sec. 50. Additional Lien of Lien Holder; Paying Taxes or Redeeming. Where any property included in a foreclosure list or proceeding is removed therefrom by payment

of taxes or by redemption on the part of a mortgagee or other lienholder of record, the official receipt for payment of such taxes or redemption money shall constitute an additional lien on the property to the amount specified in the receipt. The amount so paid, with interest and other lawful charges thereon, shall be collectible with and in the same manner as the amount secured by the original mortgage or lien.

Sec. 51. Allowing Political Subdivisions and Public Corporations to Protect Liens. The governing body of any public corporation, Independent School District or Public Utility District, having a lien on any real property included in a foreclosure list or proceeding, may use its funds to remove the property from the list or proceeding, or to redeem the property after judgment and decree of foreclosure. Such corporation shall have the same right of redemption as the owner of the property. Where any public corporation, Independent School District or Public Utility District removes or redeems any real property on which it claims a lien, or pays any taxes, interest and penalty thereon, the corporation or District may add to its lien the amount so disbursed and cause that amount to be noted on its lien docket. The amount so disbursed shall be recoverable as part of the lien of the municipal or other public corporation. In case of foreclosure of the original lien claimed by such corporation, the amount so disbursed may be added to the original lien and recovered as a part thereof, together with interest thereon.

Sec. 52. Possession During Redemption Period; Forfeiture for Waste. The sale of property to the

city on foreclosure for delinquent taxes does not affect the former owner's right to possession of the property during the period of redemption. However, any waste of the property, committed by the former owner or by anyone acting under his permission or control, shall work an immediate forfeiture by the former owner to the city of the right to such possession.

Sec. 53. Notice of Expiration of Redemption Period. Not more than 45 days nor less than 30 days prior to the expiration of the period of redemption of any real property ordered sold to the city under a judgment and decree, as provided herein, the clerk shall publish a general notice relative to the expiration of the period of redemption. The notice shall contain the date of the judgment and decree, the date of expiration of the period of redemption, and warning to the effect that all the properties ordered sold under the judgment and decree, unless sooner redeemed, will be deeded to the city immediately on expiration of the period of redemption and that every right or interest of any person in the properties will be forfeited forever to the city. The notice shall be published in two weekly issues of a duly designated newspaper of general circulation in the city within the period of 15 days as specified in this section. The published notice may be a general notice, and it shall not be necessary to include therein descriptions of the several properties or the names of the respective owners. If no newspaper is published in the city, said notice shall be posted in three public places within the city for a period of two weeks.

Sec. 54. Deed to City. Upon filing proof of publication of notice of

a part of the foreclosure proceedings, the properties not redeemed within the one-year period prescribed herein shall be deeded to the city by the clerk of court. All rights of redemption, with respect to the real properties therein described, shall terminate on the execution of the deed to the city. No return or confirmation of the sale or deed to the city is required or expiration of redemption period as necessary.

Sec. 55. **Title of City; Title of Purchaser on Resale.** When a city acquires real property under foreclosure procedures, the conveyance vests in the city title to the property, free from all liens and encumbrances except unpaid taxes and assessments duly levied for local improvements to the property, and liens of the United States and the Territory.

Sec. 56. No purchase, subsequent to a judgment or decree foreclosing a tax lien or liens upon property, shall be invalidated and no deed shall be declared void or set aside for irregularities, omissions or defects, unless the record owner of the property sold actually has been misled by the irregularities, omissions or defects to his injury.

Sec. 57. That Section 16-1-133 be amended to read as follows:

Sec. 16-1-133. Tax as Embracing Special Assessments: Inclusion of Taxes and Assessments in Same Delinquent Tax Roll Foreclosure List, and in Notices. The word tax as used in this article shall apply to special assessments for improvements as authorized by Secs. 16-1-81 through 16-1-90 as amended, and both such delinquent special assessments as well as delinquent general taxes

may be included in the same delinquent tax roll and in the foreclosure list, but when so included shall be stated separately and the penalties and interest due on each shall also be stated separately.

Sec. 58. Sec. 37-3-53, ACLA 1949, is hereby amended to read as follows:

Sec. 37-3-53. Board to Prepare and Present Budget: Proportioning Funds Between City and Outside Territory: Levy and Collection of Taxes: Delinquent Taxes: Exemptions. On or before the first day of May each year the school board shall determine the amount of funds needed for all school purposes for the following school year beginning on the first of July and ending on June 30, the year following. It shall, at the same time, determine the proportion of the funds to be raised within the city and the proportion of the funds to be raised outside the city based on assessed valuations. It shall then present the budget to the city council for its approval or rejection of the city's share of the budget. The city council shall at its first meeting in May determine the amount it shall set aside for school purposes as its share of the school expenses for the school year and transmit this information to the school board.

The board shall then determine the share to be paid by that portion of the district lying outside the city and levy the rate outside accordingly and this rate shall be the same as is necessary to raise the city's share within the city. The city council shall transmit to the treasurer of the school board on the first day of

each quarter of the fiscal school year one-fourth of its share of the budget. The assessor appointed by the school board shall, on or before the first of October of each year collect one-half of the taxes due from all taxable property outside the city limits but within the district and, on or before the first of March of each year, he shall collect the other half. The penalties for the non-payment of taxes outside the city but within the district shall be the same as is fixed by the city council for the non-payment of taxes within the city and the rates of interest on delinquent taxes shall also be the same. Residents of the Independent School District living outside the city limits shall be allowed the same exemption of taxes as is permitted within the city. Taxes shall be assessed, levied, equalized, and collected in the manner provided for assessment levy and equalization and collection of taxes by municipal corporations.

Sec. 59. Subsection A of Section 37-3-54, ACLA 1949, as amended by Ch. 96, SLA 1951, by Ch. 124, SLA 1953, and by Ch. 63, SLA 1955, is hereby amended to read as follows:

A. Lien and Liability for Taxes: Enforcement: Board to Have Taxing Powers and Duties of Council: Refunds. All taxes levied and assessed by the school board under this article shall be a lien from and including July 1 of the year in which they are levied until paid upon the respective real and personal property assessed and such lien shall be prior and paramount to all other liens and encumbrances, except unpaid taxes, interest and penalty previously imposed and levied by any taxing unit on such real and personal

property and shall be foreclosed in the manner prescribed for municipal corporations. The owner of the property assessed shall be personally liable for the amount of taxes levied and assessed against such property, together with penalties and interest thereon; and such taxes, together with penalties and interest, may be collected after the same have become due, in a personal action brought in the name of the school district against such owner, Provided: that the school boards in independent school districts in the levy and collection of taxes shall have all of the powers and duties given to the common council of municipal corporations and the laws relative to the levy and collection of taxes by municipal corporations are hereby extended and made applicable to Independent School Districts.

Provided, further, that all property in said school district, not expressly exempt, shall be subject to taxation hereunder, and shall be valued and assessed at its true and fair value in the name of its owner of record, except that the assessed value of unimproved, unpatented mining claims which are not producing, and nonproducing patented mining claims upon which the improvements originally required for patent have become useless and valueless through depreciation, removal or otherwise, is hereby fixed at \$200.00 per each twenty acres or fraction thereof, except that if the surface ground of any such claim is used for other than mining purposes and has a separate and independent value as pertains to such non-mining uses, and improvements and personal property inci-

dental to such uses shall be assessed at the true and fair value thereof.

Further provided: That all provisions in Section 37-3-61 through 37-3-66, ACLA 1949 as amended, requiring refunds of Territorial money to cities and incorporated school districts, and establishing procedures therefor, are hereby made applicable to Independent School Districts.

Sec. 60. Sec. 49-2-28, ACLA 1949, is hereby amended to read as follows:

Sec. 49-2-28. Taxation by Utility Districts: Assessment, Levy, Collection and Expenditure: Proceedings for Levy and Assessment: Powers of Board. The Board of Directors shall have the power to levy and collect taxes upon all real and personal property within the limits of the District, not exempt therefrom by existing laws, not to exceed one per cent of the assessed value of such property in any one year. All monies collected by such taxation shall be expended in payment of the costs of levying and collecting such taxes; in the payment of the cost of conducting Public Utility District elections, and for the construction, operation and maintenance of public improvements only. All taxes levied and assessed shall be in conformity with a resolution adopted by the majority of the whole Board of Directors and entered on the minutes of the Board at a meeting called for that purpose. At least ten days' notice shall be given by posting notice of such meeting in at least three public places in the District. Said Board is hereby empowered to prescribe rules for the annual assessment and levy of taxes and

by such rules to fix the dates when such assessment shall be annually made; when the taxes may become due; to require the listing of property subject to taxation by owner or agent thereof; to impose, fix and provide for the collection of taxes and penalties when due and to collect interest on delinquent taxes; and to provide generally for such other matters and things relative to the assessment and levy of such taxes as may be proper; provided, however, that all assessments shall be equal and uniform and based upon the true and fair value of the property assessed; and that prior to fixing the rates of levy, the valuation of the property assessed shall be publicly equalized as herein provided: and provided, further, that the mode and manner of assessment, the rates of penalties and interest on delinquent taxes, and the methods and procedure for levy, equalization, collection and foreclosure of such taxes, penalties and interest shall be as prescribed for municipal corporations.

Sec. 61. Sec. 49-2-29, ACLA 1949, is hereby amended to read as follows:

Sec. 49-2-29. Lien: Priority and Foreclosure: Personal Liability of Owner of Property. All taxes levied and assessed by the Board of Directors shall be a lien upon the property assessed prior and paramount to all other liens and encumbrances, except liens of unpaid taxes, interest and penalties previously lawfully imposed and levied by any taxing unit on such property, and shall be foreclosed in the manner prescribed for municipal corporations. The owner of property assessed shall be personally liable for the

amount of taxes assessed against such property; and such taxes, together with penalty and interest, may be collected after the same becomes due in a personal action brought in the name of the Public Utility District against such owner.

Sec. 62. Sec. 49-2-30, ACLA 1949, is hereby amended to read as follows:

Sec. 49-2-30. Powers of Board to Enforce Collection: Clerk's Power and Duties. The Board of Directors shall have the same power to levy and collect taxes and to enforce the lien against personal or real property as is now by law granted, or may hereafter be granted to the common council of a municipal corporation, and in such proceedings the Board of Directors shall have the same power as the common council of a municipal corporation, and Clerk of said Board shall have the same power and duties as the Clerk of an incorporated city.

Sec. 63. Sale of Tax Foreclosed

Properties. Tax foreclosed properties which have been conveyed to municipal corporations, Independent School Districts or Public Utility Districts pursuant to tax foreclosure, decree and sale, as herein provided, may be sold by such municipal corporations, Independent School Districts or Public Utility Districts in the manner and upon such notice as may be provided by general ordinance of the municipal corporation or by resolution of the School or Public Utility District respectively, provided, however, that all such sales shall be subject to the approval of the governing body of such corporation or District.

Sec. 64. Repealer. The following Acts and parts thereof, or any other Acts or parts thereof in conflict with this Act, are hereby repealed: Sections 16-1-123, 16-1-124, 16-1-126, 16-1-127, 16-1-128, 16-1-129, 16-1-130 and 16-1-131, ACLA 1949.

Sec. 65. Effective Date. The effective date of this Act shall be July 1, 1957.

Approved April 8, 1957

CHAPTER 175

AN ACT

Relating to the School Tax; amending Ch. 41, SLA 1957; and making retroactive to January 1, 1957, this Act and Ch. 41, SLA 1957.

(C. S. for H. B. 232)

Be it enacted by the Legislature of the Territory of Alaska:

Section 1. Ch. 41, SLA 1957 is hereby amended to read as follows:

Section 1. Tax Imposed: Persons Subject to Tax: Amount: Payment: Due Date of Tax: Penalty for Delinquency. There is