



# LAWS OF ALASKA

1986

**Source**

HCS SB 113(Fin) am H

**Chapter No.**

70

**AN ACT**

Relating to state and municipal tax exemptions; and providing for an effective date.

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

THE ACT FOLLOWS ON PAGE 1, LINE 9

UNDERLINED MATERIAL INDICATES TEXT THAT IS BEING ADDED TO THE LAW AND BRACKETED MATERIAL IN CAPITAL LETTERS INDICATES DELETIONS FROM THE LAW; COMPLETELY NEW TEXT OR MATERIAL REPEALED AND RE-ENACTED IS IDENTIFIED IN THE INTRODUCTORY LINE OF EACH BILL SECTION.

Approved by the Governor: June 3, 1986  
Actual Effective Date: January 1, 1987

AN ACT

Relating to state and municipal tax exemptions; and providing for an effective date.

\* Section 1. AS 28.10.421(d)(3) is amended to read:

(3) a vehicle owned by a disabled veteran or other handicapped person, and registered under AS 28.10.181 or a resident 65 years of age or older who files a written application for an exemption on a form prescribed by the department [COMPLIES WITH AS 28.10.411(c)]  
 . . . . . none;

\* Sec. 2. AS 29.45.030(a) is amended to read:

(a) The following property is exempt from general taxation:

(1) municipal, state, or federally owned property, except that a private leasehold, contract, or other interest in the property is taxable to the extent of the interest;

(2) household furniture and personal effects of members of a [OF THE HEAD OF A FAMILY OR] household;

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

(4) property of a nonbusiness organization or its auxiliary composed entirely of persons with 90 days or more of active service in the armed forces of the United States whose conditions of service and separation were other than dishonorable;

(5) money on deposit;

(6) the real property of certain residents of the state to

Chapter 70

1 the extent and subject to the conditions provided in (e) of this  
2 section;

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

5 \* Sec. 3. AS 29.45.030(e) is amended to read:

6 (e) The real property owned and occupied as the primary resi-  
7 dence and [A] permanent place of abode by a (1) resident 65 years of  
8 age or older [OVER]; (2) disabled veteran; or (3) resident at least 60  
9 years old who is the widow or widower of a person who qualified for an  
10 exemption under (1) or (2) of this subsection, is exempt from taxation  
11 on the first \$150,000 of the assessed value of the real property. A  
12 municipality may, in a case of hardship, provide for exemption beyond  
13 the first \$150,000 of assessed value in accordance with regulations of  
14 the department. Only one exemption may be granted for the same prop-  
15 erty and, if two or more persons are eligible for an exemption for the  
16 same property, the parties shall decide between or among themselves  
17 who is to [WHICH SHALL] receive the benefit of the exemption. Real  
18 property may not be exempted under this subsection if the assessor  
19 determines, after notice and hearing to the parties [CONCERNED], that  
20 the property was conveyed to the applicant primarily for the purpose  
21 of obtaining the exemption. The determination of the assessor may be  
22 appealed under AS 44.62.560 - 44.62.570.

23 \* Sec. 4. AS 29.45.030(j) is amended to read:

24 (j) One motor vehicle per household owned by a resident 65 years  
25 of age or older on January 1 of the assessment year is exempt either  
26 from taxation on its assessed value or from the registration tax under  
27 AS 28.10.431. An exemption may be granted under this subsection only  
28 upon written application on a form prescribed by the Department of  
29 Public Safety. [THE STATE SHALL REIMBURSE A MUNICIPALITY FOR TAX  
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1 REVENUES LOST TO IT BECAUSE OF THE EXEMPTION REQUIRED BY THIS SUB-  
2 SECTION. REIMBURSEMENT TO A MUNICIPALITY EQUALS THE AMOUNT OF REGIS-  
3 TRATION TAX AUTHORIZED UNDER AS 28.10.431(b) FOR EACH VEHICLE EXEMPTED  
4 UNDER THIS SUBSECTION.]

5 \* Sec. 5. AS 29.45.050 is amended by adding new subsections to read:

6 (i) A municipality may by ordinance approved by the voters  
7 exempt from taxation the assessed value that exceeds \$150,000 of real  
8 property owned and occupied as a permanent place of abode by a resi-  
9 dent who is

0 (1) 65 years of age or older;

1 (2) a disabled veteran; or

2 (3) at least 60 years old and a widow or widower of a  
3 person who qualified for an exemption under (1) or (2) of this subsec-  
4 tion.

5 (j) A municipality may by ordinance approved by the voters  
6 exempt real or personal property in a taxing unit used in processing  
7 timber after it has been delivered to the processing site from up to  
8 75 percent of the rate of taxes levied on other property in that  
9 taxing unit. An ordinance adopted under this subsection may not  
0 provide for an exemption that exceeds five years in duration. In this  
1 subsection "taxing unit" means a municipality and includes

2 (1) a service area in a unified municipality or borough;

3 (2) the entire area outside cities in a borough; and

4 (3) a differential tax zone in a city.

5 (k) A municipality may by ordinance approved by the voters  
6 exempt from taxation pollution control facilities that meet require-  
7 ments of the United States Environmental Protection Agency or the  
8 Department of Environmental Conservation. An ordinance adopted under  
9 this subsection may not provide for an exemption that exceeds five

Chapter 70

1           years in duration.

2           \* Sec. 6. AS 28.10.411(c) and (d); AS 29.10.200(41); AS 29.45.045; and  
3 AS 29.46.090 are repealed.

4           \* Sec. 7. This Act takes effect January 1, 1987.  
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