

State of Alaska Property Tax Assessments Statutes

Basis for Property Tax Assessments – Market Value

Full and true value (AS 29.45.110, AS 43.56.060) is defined as the estimated price that property would bring in an open market under prevailing market conditions in a sale between a willing seller and a willing buyer conversant with the property and prevailing prices. The most commonly used methods to determine full and true value are the cost method, the income method, and the market data method.

Real Property Defined

Real property includes land, improvements to land, personal property affixed to realty, and possessory rights and privileges associated with real property (AS29.71.800).

Taxable property is defined for oil and gas tax purposes as all real and tangible personal property (1) devoted primarily to oil or gas exploration, production, or pipeline transportation, or (2) used to operate or maintain an oil or gas exploration, production, or pipeline transportation facility (AS 43.56.210). Taxable oil and gas property includes machinery, appliances, supplies, and equipment; drilling rigs, wells, gathering and transmission lines, pumping and compressor stations, power and topping plants, and processing units; roads, tank farms, tanker terminals, port facilities, and air strips; communication facilities, aircraft, and motor vehicles owned by a taxpayer whose principal business in the state is oil or gas exploration, production, or pipeline transportation and whose operation of the communication facilities, aircraft, and motor vehicles directly relates to the conduct of that business; and maintenance equipment, camps, and facilities.

Personal Property Defined

Personal property means tangible property other than realty, such as merchandise, stock in trade, machinery, equipment, furniture, fixtures, vehicles, boats, and aircraft. See “oil and gas” taxable property. For purposes of the state tax, property committed by contract or other agreement primarily to the production or pipeline transportation of oil or gas or to the operation or maintenance of oil or gas production or transportation facilities must be assessed at its full and true value as of the date that construction commences (AS 43.56.060).

Intangible Property Taxes

Exempt (AS 29.45.030).

