



Fact Sheet: Annual Rent

Background

In 1989, the State of Alaska enacted a mineral location annual rental law, Alaska Statute 38.05.211, which requires locators and holders of state mining locations to pay an annual cash rental. The annual rental requirement applies to mining claims, leasehold locations, upland mining leases, offshore mining leases and prospecting sites on state land. Department regulations 11 AAC 86.215(f), 11 AAC 86.221, 11 AAC 86.260, 11 AAC 86.265, 11 AAC 86.313, 11 AAC 86.422, and 11 AAC 86.541 identify how rental payments will be made. Please consult these regulations for specific requirements.

What is the Annual Rental requirement?

For **Prospecting Sites**, there is a **one-time rental** payment requirement of **\$305** which covers the **two-year term** of the site. For **MTRSC Locations, Traditional Mining Claims, Leasehold Locations and Leases**, the **Annual Rental Fees** are identified below:

Annual Rental for Each Location

(11 AAC 86.221(b))

Number of Years for Location	Quarter-Section Size MTRSC Location (160 Acres)	Quarter-Quarter Section MTRSC Location (40 Acres)	Traditional Mining Claim or Leasehold Location	Date Due
Year 1 <i>Day 1 - September 1st of Mining Year Location Is Staked</i>	\$165	\$40	\$40	45 Days From Posting Location
2 - 5	\$165	\$40	\$40	September 1 st
6 - 10	\$330	\$85	\$85	September 1 st
11 or More	\$825	\$205	\$205	September 1 st

Annual Rental for Each Lease

(11 AAC 86.313(c))

Number of Years of Lease	Rental Amount Per Acre for Mining Lease	Date Due
Year 1 <i>Day 1 – September 1st of Mining Year Lease Inception*</i>	\$1.03	45 Days From Lease Inception
2 - 5	\$1.03	September 1 st
6 - 10	\$2.06	September 1 st
11 or More	\$5.16	September 1 st

* The inception date for an upland mining lease is based on the age of the oldest mining claim or leasehold location converted to the upland mining lease (11 AAC 86.313(c)).

When are rental payments due and when does the Annual Rental year begin and end?

The annual rental year follows the *“Mining Year”*, which begins and ends on September 1st at noon. It does not follow the calendar year. The first annual rental payment must be paid within 45 days of posting a new location pursuant to 11 AAC 86.215. This payment covers your rental until noon of the following September 1st. Rent is paid in advance so as of the

September 1st following the date of posting the location, another rental payment is due, and must be paid within 90 days of that September 1st. **Depending on when you stake your claim or initiate your lease, you may incur two rental payments within the same calendar year. Rental payments are not pro-rated.**

Subsequent annual rental payments are based on the annual rental year and are due September 1st and must be paid within 90 days afterward (usually November 30th). The penalty for failure to make a timely payment is forfeiture (abandonment) of the location, except in the case of a lease, in which case the lease is deemed in default.

How is the first rental payment made on a new location? (Staked within the last 45 days)

The locator of a new mining location can pay the first rental payment in two ways. The first rental payment can be made at the recording district office at the same time the location certificate (notice) is submitted for recording, or the locator may pay the first rental at a DNR Public Information Center. If rent is paid at the time of recording, the locator **must complete and submit the required rental calculation worksheet** with the claim(s) being recorded so the required rental can be timely credited to the locations. The number of claims shown on the worksheet must equal the number of documents submitted for recording. **If the required worksheet is not attached or is not completed, the required rental payment cannot be posted to the newly recorded location(s) resulting in the recorded location(s) becoming forfeited (abandoned).** For worksheet assistance, or to cure rental deficiencies, contact one of the Public Information Offices listed below.

When will I be billed for a new mining claim?

You may not receive a bill for the first rental payment due within 45 days of posting your new location(s). Due to processing time, new locations recorded between July 1st - August 31st may not be included on the September courtesy rental bill for the following rental year. **Your first payment will only cover the rent due from the date your claim is located to September 1st. It is in your best interest to pay two years of Annual Rent when you record new mining claims staked over the summer to ensure your claims are not abandoned for failure to pay annual rent for the next mining year.**

How are subsequent rental payments made?

The Department will attempt to mail each locator a courtesy bill that lists all active ADL Numbers and claim names shown in their name in September. It is a miner’s responsibility to make sure annual rent is paid for all claims. A copy of the Department’s courtesy bill or a letter that identifies the bill numbers and ADL Numbers that are being paid for must be included with your payment.

Cross out claims on the courtesy bill that are not being paid for. DO NOT ADD ADL NUMBERS TO A BILL! Payments may be paid according to either the bill number or the ADL number. This will ensure your payments are being properly credited. Claims that you cross off the courtesy bill are not credited and will be **abandoned** by operation of law (AS 38.05.265) on December 1st of that rental year.

Payments must be received no later than November 30th each year. Payments may be made online, via mail, or in person at one of the **Public Information Centers (PIC)**. Online payments may be made at: <https://dnr.alaska.gov/ccpayments/index.cfm> until November 30th. **Beginning December 1st payments must be made via mail, in person or by phone at PIC.**

Send Payment Via Mail To:	Pay In Person or Phone at Anchorage PIC:	Pay In Person or Phone at Fairbanks PIC:
Department of Natural Resources Support Services Division 550 West 7th Ave, Suite 1410 Anchorage, AK 99501-3561 Attention: Financial Services	Department of Natural Resources Public Information Center 550 West 7 th Avenue, Suite 1360 Anchorage, Alaska 99501-3561 Monday thru Friday 8:00 AM to 4:30 PM (907) 269-8400 dnr.pic@alaska.gov	Department of Natural Resources Public Information Center 3700 Airport Way Fairbanks, Alaska 99709-4699 Monday thru Friday 8:00 AM to 4:30 PM (907) 451-2705 fbx-pic@alaska.gov
Statewide TTY – 711 for Alaska Relay or 1-800-770-8973		

What are the annual rental requirements for locations on state-selected land?

Locations made on state-selected land do not require rental payments until the State receives conveyance of the land from the federal government. **PLEASE NOTE: The first rental payment must be paid within 90 days of the date of conveyance** pursuant to 11 AAC 86.215 or the claim will be closed. Your first rental payment only covers the period from the date of conveyance to the September 1st immediately following the conveyance. You may make a **non-refundable deposit** for the first rental on State-selected claims that will be credited to your first annual rental payment if the State receives conveyance of the selection. This will cover your first year of annual rent upon conveyance. The payment can be made at all locations listed above. However, there are risks. Please consult the fact sheet *"Mining on State-Selected Land"* for more information. Depending on when the land is conveyed to the State, you may incur **two rental payments** within the same calendar year.

What happens if the rental payment is late?

Late payments result in claims being abandoned under Alaska Statute 38.05.265. If you would like to cure your abandonment, you must pay a penalty equal to the annual rent for the mining claim or leasehold location that was abandoned. Late payments are only refunded if the Department receives a written request for the refund within 90 days after the date of payment.

If a rental payment is timely submitted to the department, but the payment is less than the amount due, a deficiency notice will be issued and the locator will have 30 days from receipt of the notice to make the required payment in full. If full payment is received within 30 days, no penalty will be applied. If full payment is not received, the location(s) will be abandoned. If you would like to cure your abandonment of the claims, you must pay a penalty equal to the annual rent in addition to the deficiency.

If another person has located a mining claim or leasehold location that includes all or part of your location during the period of the abandonment, your location *cannot* be cured. A locator of an abandoned location or a successor in interest may ***not*** relocate the location until ***one year*** after abandonment. Please consult the Fact Sheet on *"Abandonment of a Mining Location and Options Available Under the Law"* for more information.

Who should I contact if I have further questions:

Further information can be obtained at either of Public Information Center offices listed above.