

Introduced by: Mullen, Cooper,
Lutz, and Fischer
Date: March 16, 1976 Failed
Reconsidered: April 6, 1976
To be Set for Hearing May 4;
Failed to be Set for Hearing May 4, 1976

KENAI PENINSULA BOROUGH

ORDINANCE 76-17

AN ORDINANCE TO CHANGE THE KENAI PENINSULA BOROUGH SALES
TAX LEVY FROM 2% TO 3%.

WHEREAS, hearings concerning the school budget for Fiscal
Year 1976-1977 indicate a drastic increase in the amount to be
requested from local funding; and

WHEREAS, the sales tax of the Kenai Peninsula Borough is
dedicated for school purposes only; and

WHEREAS, it is apparent from school studies that an urgent
need exists for immediate school construction throughout the Borough,
which combined with increased operational costs would constitute an
excessive burden of taxation on real and personal property unless
the sales tax levy is increased; and

WHEREAS, the proposed 1% increase in sales tax for
Fiscal year 1976-1977 is projected to bring in approximately
\$1,200,000 revenue which would be sufficient to pay annual debt
service payments on \$8,000,000 of bonds payable over a period of
10 years; Now Therefore,

BE IT ORDAINED BY THE ASSEMBLY OF THE KENAI PENINSULA
BOROUGH:

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Section 1. KPB 5.16.020 is hereby amended as follows:

"There is levied a consumers' sales tax of 3 [2] percent on all retail sales, on all rents, and on all services made or rendered within the borough, measured by the gross sales price of the seller."

Section 2. KPB 5.16.210 A is hereby amended as follows:

"A. The tax to be added to the sale price, charge or rental shall be 3 [2]% of the sale price, charge or rental rounded off to the nearest cent by eliminating any fraction of one-half cent or less and by increasing any fraction over one-half cent to the next highest cent. Each seller shall be furnished the schedule of tax payable on each taxable amount from one cent to \$100.00. Any one sale of items separately priced shall be taxed upon the aggregate amount."

Section 3. This ordinance shall become effective at 12:01 A.M. on July 1, 1976.

DEFEATED
~~ADOPTED~~ BY THE ASSEMBLY OF THE KENAI PENINSULA
BOROUGH THIS 4th DAY OF APRIL, 1976.

Clarence E. Johnson, Assembly President

ATTEST:

Borough Clerk

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