

Introduced by: Fischer  
Date: Feb. 16, 1982  
Hearing: Mar. 16, 1982  
Vote:  
Action: DEFEATED AT INTRODUCTION

KENAI PENINSULA BOROUGH

ORDINANCE 82-15

AMENDING SECTION 5.16.090 OF THE BOROUGH CODE OF ORDINANCES TO EXEMPT THE RETAIL SALE OF FOOD PRODUCTS FOR HUMAN CONSUMPTION AND EXEMPTING PURCHASES OF GASOLINE AND HOME HEATING OIL FROM BOROUGH SALES TAX.

WHEREAS, the concept of a retail sales tax has traditionally been considered as an excise tax upon the sale of tangible personal property at the retail level; and

WHEREAS, a sales tax on the purchases of food products for human consumption creates an unreasonable burden upon the taxpayers within the Borough, who are required to pay a tax on their daily sustenance; and

WHEREAS, this tax burden falls with direct impact upon the resident taxpayers of the Borough because nonresident taxpayers can easily avoid the sales tax by purchasing food products and other items outside the Borough's boundaries; and

WHEREAS, the recent escalation in the retail prices of gasoline and home heating oil has seriously burdened consumers and has imposed substantial hardships upon numerous Borough residents; and

WHEREAS, the Assembly finds that some form of relief to consumers from the excessive prices of gasoline and home heating oil is warranted;

NOW THEREFORE, BE IT ORDAINED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

Section 1. That KPB 5.16.090 is amended by adding two new subsections designated as (N) and (O) which read:

"5.16.090 Exemptions.

(N) The retail sale of food products for human consumption. "Food products" include milk and milk products, cereals, breads, oleomargarine, meat and meat products, fish and fish products, eggs and egg products, vegetables and vegetable products, fruit and fruit products, spices and salt, sugar and sugar products other than candy and confectionery, coffee

and coffee substitutes, tea, cocoa and cocoa products other than candy or confectionery.

"Food products" do not include alcoholic, malt or other liquors, soft drinks, sodas, or beverages ordinarily dispensed at bars and soda fountains, or dietary supplements.

The exemption provided for in this subsection does not apply (a) when the food products are served as prepared meals on or off the premises of the retailer or (b) when the products are prepared foods furnished or served for consumption at tables, chairs, or counters or from trays, glasses, dishes, or other tableware provided by the retailer or (c) when the food products are sold on a "take out" or "to go" order and are actually packaged or wrapped and taken from the premises of the retailer.

(O) Sales of home heating oil and sales of gasoline, excluding marine and aviation gasoline."

Section 2. That the Mayor is authorized to effectuate this ordinance, which takes effect on July 1, 1982.

DEFEATED  
~~ENACTED~~ BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH ON  
THIS 16 DAY OF February, 1982.

John C. Davis, Assembly President

ATTEST:

  
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Borough Clerk