

Introduced by: Navarre
Date: 11/01/94
Hearing: 12/13/94
Postponed to: 01/03/95
Action: Defeated as Amended
Vote: 3 Yes, 5 No

**KENAI PENINSULA BOROUGH
ORDINANCE 94- 62**

**AN ORDINANCE EXEMPTING STATE LICENSED CHILD CARE PROVIDERS
FROM SALES TAXES**

WHEREAS, it is in the best interest of the Borough to ensure that the sales tax does not provide and unfair advantage for one business over another providing the same services within the borough; and

WHEREAS, there appears to be unfair competition in this industry due to the exemption of not for profit businesses from sales tax both for collection of the tax and payment of such taxes; and

WHEREAS, other municipalities within the state that have sales taxes exempt all licensed child care providers from having to collect sales tax; and

WHEREAS, licensed childcare facilities provide essential services to the public;

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

SECTION 1. That KPB 5.18.200(A) be amended by adding a new section 16 as follows:

5.18.200. Exemptions/waivers - Exemptions.

A. The following classes of retail sales, services and rentals are exempt:

16. Childcare services rendered by state or municipal licensed childcare providers and pre-elementary schools certified by the Department of Education.

SECTION 2. That this ordinance shall take effect on January 1, 1995.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS _____
DAY OF _____, 1994.**

Andrew P. Scalzi, Assembly President

ATTEST:

Gaye J. Vaughan, Borough Clerk