

# City of Sand Point



## ORDINANCE 2013-04

**AN ORDINANCE OF THE CITY OF SAND POINT, ALASKA, AMENDING SECTIONS 6.10.110 AND 6.10.220 OF THE CITY OF SAND POINT, ALASKA, CODE OF ORDINANCES TO INCREASE THE SALES TAX FROM THREE PERCENT (3%) TO FOUR PERCENT (4%) OF THE SELLING PRICE.**

WHEREAS, the City continues to face financial challenges trying to provide the services expected using funding sources currently available, especially in terms of on-going decreases to revenue sharing funds from the State; and,

WHEREAS, in order to continue to perform basic City services expected by the public, assist with funds needed to renovate our small boat harbor and to foster a high quality of life in the City, it is necessary to raise additional revenues for City expenses; and,

WHEREAS, the Council believes that a one percent (1%) increase in the City's general sales tax rate will help meet the budget gap and enable the City to continue to provide the services citizens have come to expect; and,

WHEREAS, any increase in the rate of levy of a sales tax must be presented to the voters for ratification; and,

WHEREAS, the Council has determined that the electorate shall be asked in the October 2013 election whether the present sales tax of three percent (3%) of the selling price should be increased by one percent (1%) for a total general sales tax levied in the City of Sand Point of four percent (4%) of the selling price.

**NOW THEREFORE, BE IT ENACTED BY THE COUNCIL OF THE CITY OF SAND POINT:**

Section 1: Classification. This is a Code ordinance.

Section 2: Amendment of 6.10.110. Section 6.10.110, Sales Tax Levied, of the City of Sand Point, Alaska, Code of Ordinances is hereby amended to read as follows [additions are underlined and in bold and deletions are struck through]:

**§ 6.10.110. SALES TAX LEVIED.**

(a) Except as provided in subsection (b) of this section, there is levied a sales tax of ~~3%~~ **four percent (4%)** on all sales within the corporate limits of the city and all rents, and on all services made, rendered or performed within the city, measured by the gross sales price of the seller.

(b) There is levied a sales tax of **two percent (2%)** on the sale of raw seafood products delivered directly or indirectly by the seller to a buyer within the city including raw seafood products delivered by means of a tender to a processor of raw seafood products for processing in the city.

Section 3: Amendment of 6.10.110. Section 6.10.220(a), Tax Schedule, of the City of Sand Point, Alaska, Code of Ordinances is hereby amended to read as follows [additions are underlined and in bold and deletions are struck through]:

**§ 6.10.220. TAX SCHEDULE.**

(a) The tax to be added to the sales price, charge or rental shall be in accordance with the following schedules:

(1) Two percent **(2%)** schedule applicable to raw seafood sales:

<b>Price</b>	<b>Tax</b>
\$0.01 - \$0.50.....	\$0.00
\$0.51 - \$0.99.....	\$0.01
\$1.00.....	\$0.02

(2) ~~Three percent~~ **Four percent (4%)** schedule applicable to all other sales:

<b>Price</b>	<b>Tax</b>
\$0.01 - <del>\$0.33</del> <b><u>\$0.12</u></b> .....	\$0.00
<del>\$0.34 - \$0.66</del> <b><u>\$0.13 - \$0.37</u></b> .....	\$0.01
<del>\$0.67 - \$0.99</del> <b><u>\$0.38 - \$0.62</u></b> .....	\$0.02
<del>\$1.00</del> <b><u>\$0.63 - \$0.87</u></b> .....	\$0.03
<b><u>\$0.88 - 1.12</u></b> .....	<b><u>\$0.04</u></b>

Section 4: Authorization for Election. The City of Sand Point shall conduct an election on the question of whether there should be an increase in the sales tax rate from three percent (3%) to four percent (4%) of the selling price at the general election to be held on October 1, 2013, and place before the voters of the City of Sand Point, Alaska, a proposition for approval or rejection. The City Clerk is directed to take all action necessary to arrange for this election. The proposition must receive a majority vote of those qualified voters actually voting on the question in order to be approved by the voters. The proposition shall be substantially in the following form:

**PROPOSITION NO. 1**

WHETHER THE CITY OF SAND POINT SHOULD INCREASE THE MUNICIPAL GENERAL SALES TAX RATE FROM THREE PERCENT (3%) TO FOUR PERCENT (4%) OF THE SELLING PRICE.

Shall section 6.10.110(a) of the Code of Ordinances of the City of Sand Point, Alaska, be amended to read as follows [additions are underlined and in bold and deletions are struck through]:

**§ 6.10.110. SALES TAX LEVIED.**

(a) Except as provided in subsection (b) of this section, there is levied a sales tax of ~~3%~~ **four percent (4%)** on all sales within the corporate limits of the city and all rents, and on all services made, rendered or performed within the city, measured by the gross sales price of the seller.

If approved by a majority of the voters voting on the issue, this ordinance will take effect on January 1, 2011.

The proposition shall be printed on a ballot and the following words shall be added as appropriate with a space or square adjacent:

PROPOSITION NO. 1      Yes (   )  
  No (   )

Section 5: Effective Date. Section 2 and 3 of this Ordinance shall be effective as of January 1, 2014; *provided that*, after the election on the issue the City of Sand Point has certified ratification of the one percent (1%) tax increase by a majority of the voters of the City of Sand Point voting at the election on the issue. The remainder of this Ordinance shall be effective upon adoption.

**APPROVED** and **SIGNED** this \_\_\_\_ day of \_\_\_\_\_, 2013.

\_\_\_\_\_  
Martin Gundersen., Mayor

ATTEST:

\_\_\_\_\_  
Jade Cromer, City Clerk