

From: **Brian Endle**

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2017

Subject: 3% Borough Sales Tax (Ord.
17-093) - Tuesday, August 1

The Mat-Su Borough will be bringing a Sales Tax up for discussion this Tuesday, August 1st and again on August 3rd

3% Borough Sales Tax Ordinance

When: Two Dates

1. Tuesday, August 1 at 6:00 PM (Full Assembly Meeting with Sales Tax Ordinance)

2. Thursday, August 3 at 6:00 PM (Sales Tax Only)

Where: Assembly Chambers - 350 East Dahlia Avenue, Palmer

How to Testify: Sign up for Ordinance 17-093 under Public Hearings

Highlights:

1. The Assembly can choose to use the Sales Tax money as they wish
2. No guarantee that Property Taxes or Assessments will decrease
3. The proposed cap on property tax use for schools will not benefit property tax payers and can be removed at any time.

Details:

The Borough is proposing a **3% Sales Tax** which applies to all sales, rentals, and services in the Matanuska-Susitna Borough. For specifics on anything below, please consult Borough Ordinance 17-093 and associated documents.

Borough Use of Sales Tax Money: .

Anything the Assembly could spend other tax money on.

Maximum Tax per transaction:

\$30.00

Sales Tax Calculation per transaction:

Each sale is taxed on the first \$1000 of a transaction. \$1001 to infinity on a single transaction is not taxed.

Transaction Examples:

Payment of rent: Monthly transactions on the same item will be taxed as separate transactions.

Bed and Breakfast: taxed nightly. One night = one transaction.

Hotel Room rentals: taxed nightly. One night = one transaction.

Lease payments with option to purchase: each payment is taxed. If the purchase option is used, the purchase option is taxed separately.

Penalty:

The Borough will put a lien on personal property and foreclose if taxes are not paid.

Tax Returns:

A Sales Tax Return is prepared by a

business for the Borough each month whether or not sales tax is due the Borough.

Specific Business outlined in ordinance to be Taxed:

Real Estate Sales Commissions

Sales of Gaming property

Sales from coin operated machines

Purchasers needing Borough Exemption:

Churches and Non-profits would need a free exemption statement from the Borough

Some others would need to purchase an exemption

Major Exemptions (not all listed):

Sale of real property

Residential Rentals

All Food Stamp purchases

Banking Fees

Sales to schools to transport students, for school lunchrooms, for school events

Newspaper subscriptions

Sales to Gov. and Non-profits
Sales of Health care services (for people,
not pets)
Some Medical Rentals
Casual Sales not made in the course of
regular business
Borough Assembly contact information is
here (click on their name): [https://
www.matsugov.us/assembly](https://www.matsugov.us/assembly)

Assembly Members listed on the Borough
Website:

District 1 - Jim Sykes
jimsykesdistrict1@gmail.com
[\(907\) 354-6962](tel:(907)354-6962)

District 2 - Matthew Beck
matthew.beck@matsugov.us
[\(907\) 355-3223](tel:(907)355-3223)

District 3 - George McKee
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[\(907\) 373-3630](tel:(907)373-3630)

District 4 - Steve Colligan
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[\(907\) 373-1502](tel:(907)373-1502)

District 5 - Dan Mayfield
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District 6 - Barbara Doty
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[\(907\) 746-0460](tel:(907)746-0460)

District 7 - Randall Kowalke
randallk_2@msn.com
[\(907\) 315-0805](tel:(907)315-0805)

Mayor
vern.Halter@matsugov.us
[\(907\)861-8682](tel:(907)861-8682)

The link is below for OR 17-093.
[https://matanuska.legistar.com/
LegislationDetail.aspx?](https://matanuska.legistar.com/LegislationDetail.aspx?)

[ID=3080083&GUID=423744D5-87EA-4659-8EA6-2B7E20A672AF&Options=ID|Text|&Search=093](#)

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