

# KETCHIKAN CHARTER COMMISSION

## AGENDA STATEMENT

NO \_\_\_\_\_ H-2(c) \_\_\_\_\_

MEETING OF May 19, 2004

ITEM TITLE Amend 2004 DRAFT Ketchikan Charter, Article X, Finance, Sections 10.05 (b) SUBMITTED BY John Harrington
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### SUMMARY STATEMENT

In an effort to allow the voters of the entire municipality to have a choice whether sales taxes are raised anywhere within the new municipality, an amendment to Section 10.05 (b) adds the word 'even' to the beginning of the second sentence. It also deletes the words 'vote is limited to those qualified to vote in the area' and adds the language 'ratification vote must still be areawide' to the second sentence.

### **Section 10.05      Taxation: Sales and Use Taxes; Ratification of Sales or Use Tax Rate Increases.**

(b) No increase in the rate of levy of a sales or use tax generally applied on an areawide, non-areawide, or service area basis shall become effective except by an ordinance adopted by the Assembly and ratified by a majority of the qualified voters who vote on the ordinance at a general or special election. Even if the increase in the rate of levy of the general sales or use tax is limited to a service area or is nonareawide, the ratification vote must still be areawide. [~~vote is limited to those qualified to vote in the area.~~] The Assembly may, by ordinance, but without ratification by the voters, increase the rate of transient occupancy taxes, create or terminate exemptions to the sales tax, change administrative procedures or fees, and increase the rate of levy of sales or use taxes on specifically designated goods or services.

### RECOMMENDED ACTION:

"I move to amend Article X, Section 10.05 (b) by adding the word 'even' to the beginning of the second sentence, deleting the phrase ' vote is limited to those qualified to vote in the area' and adding the wording 'ratification vote must still be areawide' to the second sentence."