

Citizen Task Force Recommendations to Date

M – Rule/S – Gibson moved to recommend the City and Borough of Sitka Assembly evaluate and/or eliminate optional community purpose property tax exemptions, establish a criteria of such exemptions with a 3 to 5 year timeframe review of the real property exemptions and consider a payment in lieu of taxes over a certain threshold value. Motion carried unanimously.

Rule thought personal property was time consuming with little return. Acting Assessor Joens told of approximately 5,000 boats on a flat rate of taxes per foot that had been in place since 1985.

Sweeney told of the ability to levy a vehicle registration tax that went before the Assembly which failed in the last year and that the State would most likely collect the money then reimburse the City. Gibson questioned the process of changing the boat personal property tax. Acting Assessor Joens told of cost of taxes for boat by length and that airplanes are based on their value. Bevan wondered the possibility of outsourcing the personal property tax. Sweeney told that it is allowed to outsource collection of taxes but that it is costly and there is a loss of control.

M – Bevan/S – Rule moved to recommend to the Assembly that they review the tax exemptions in 4.09.100 of the Sitka General Code to determine if they all still apply. Motion carried unanimously.

Sweeney will research Federal and State law with regards to exemptions. Discussion occurred on the thought of a sunset. Sweeney reminded the Assembly of the possible State changes with regards to taxes.

M – Bevan/S – Rule moved to recommend the Assembly hold a public hearing on the elimination of the long-term rental, whole sale, senior, and government supported agencies exemptions. Motion carried unanimously.

M – Rule/S – Bevan moved to recommend the Assembly that they look into requiring all businesses report sales, show exemptions, and pay any tax due. Motion carried unanimously.

Allen explained that all business would have to report. Sweeny asked for clarification with regards to all entities for example churches and other various non-profit entities. Rule stated his intent was if anyone were collecting revenues, they would be subject to sales tax and a report would have to be filed with exemptions justified. Gibson gave the example of requiring a report of someone selling jewelry at a bazaar.