



# City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

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## MEMORANDUM

**To:** Mayor Paxton and Assembly Members  
John Leach, Municipal Administrator

**From:** Assembly Members Knox and Eisenbeisz

**Date:** September 16, 2020

**Subject:** Approval of Ordinance 2020-50: Permanent Vehicle and Trailer  
Registration "Z" Tabs

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The State of Alaska allows unorganized boroughs and organized boroughs that pass code language allowing local residents to be eligible for permanent registration for noncommercial trailers and 8 year-old or older vehicles. To date there are 8 organized boroughs and the Municipality of Anchorage, opting into eligibility.

This option will provide Sitka residents the option of applying for permanent registration or a "Z" tab, providing convenience and potential savings over time if owner retains the vehicle or trailer for several years.

While the City and Borough of Sitka does not have registration fees for vehicles or trailers, the State of Alaska levies such fees and shares some of that revenue with the city in which the vehicle is registered. Enacting this ordinance would mean a reduction of the revenue shared with the CBS. Past total revenue shared with Sitka is as follows:

FY 2018 - \$92,790  
FY 2019 - \$84,188  
FY 2020 - \$76,607

Revenue totals include all passenger vehicles, trucks, buses, vans, motorhomes, motorcycles, boats, ATV's, snowmachines and commercial and non commercial trailers. The actual reduction in CBS shared revenue will depend on how many residents take advantage of their eligibility and how often a vehicle changes ownership. A request has been submitted to Alaska DOT for data to put together estimates on revenue loss to the CBS.

Alaska program eligibility and rules as follows:

- *If eligible, and your registration expires January 31, 2015, or later, you can pay a one-time \$25 permanent registration fee along with registration fees and motor vehicle registration taxes. At that time you will be issued a permanent "Z" tab and will not have to renew your registration again.*
- *The effective date of this bill is January 1, 2015, so only vehicles with registrations expiring January 31, 2015, or later are eligible for permanent registration. If your registration expired in October 2014 and you want to wait until January to permanently register your vehicle, you will not be allowed because the law was not in effect when your registration expired. Instead, you will be required to renew your biennial registration for another cycle because the option for a permanent registration did not exist at the time your registration expired.*
- *If you purchase a vehicle with a permanent tab, you must pay full registration fees and motor vehicle registration taxes (if applicable). If you wish to permanently register the vehicle you must also pay an additional \$25.*
- *If you sell a vehicle with a permanent tab, the new owner may elect to permanently register the vehicle by paying \$25, full registration fees, and motor vehicle registration taxes (if applicable).*