

Presented by: The Manager  
Presented: 07/11/2022  
Drafted by: R. Palmer III

**ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA**

**Serial No. 2022-34**

**An Ordinance Providing for the Levy and Collection of a Temporary 1% Areawide Sales Tax on the Sale Price of Retail Sales, Rentals, and Services Performed within the City and Borough of Juneau, to be Effective October 1, 2023, and Providing for a Ballot Question Ratifying the Levy.**

WHEREAS, the present 5% areawide sales tax rate in the City and Borough comprises a permanent 1% tax, a temporary 1% tax, and a temporary 3% tax, CBJC 69.05.020; and

WHEREAS, the 1% temporary component of the sales tax expires on September 30, 2023, unless the voters approve extending the duration of the tax; and

WHEREAS, the Assembly has determined that an extension of the temporary 1% sales tax, to become effective on October 1, 2023, for a period of five years, would provide a stable revenue base for important municipal services and projects; and

WHEREAS, with the extension of the 1% temporary tax, the total sales tax rate in the City and Borough would remain unchanged at 5%.

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

**Section 1. Classification.** Section 2 of this ordinance, if approved by a majority of qualified voters voting on the question pursuant to Sections 3 and 4, shall be of a general and permanent nature and shall become a part of the City and Borough code, until it expires under its own terms. Sections 3 and 4 are noncode sections.

**Section 2. Amendment of Section.** CBJ 69.05.020 Imposition of rate, is amended to read:

**69.05.020 Imposition of rate.**

(a) There shall be levied and collected a tax equal to the percentage of the selling price on retail sales and rentals made and services performed within the City and Borough as follows:

- (1) Within the entire City and Borough – 1%.
- (2) Within the entire City and Borough – an additional 3%.

- (3) Effective October 1, 2023 within the entire City and Borough – an additional 1%.
- (4) Subsection (a)(3) of this section shall be automatically repealed on September 30, 2028.

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**Section 3. Submission to the Voters.** In accordance with Section 9.17 of the Home Rule Charter of the City and Borough of Juneau, the question of whether the extension of the temporary 1% areawide sales tax herein provided shall be levied and collected effective October 1, 2023, for a period of five years, shall be submitted to the qualified voters of the City and Borough at the next regular municipal election. The Municipal Clerk shall prepare the ballot proposition as provided by this ordinance and shall perform all necessary steps in accordance with law to place this proposition before the voters at the next regular municipal election.

**Section 4. Proposition.** The proposition to be submitted to the voters as required by Section 3 shall read substantially as follows:

#### **Explanation**

Juneau currently has a permanent 1% sales tax, a temporary 1% sales tax, and a temporary 3% sales tax. The existing temporary 1% sales tax is automatically repealed on September 30, 2023. The total of all CBJ sales taxes currently levied is 5%.

This ballot proposition would continue the current 1% temporary sales tax rate for an additional five years, until September 30, 2028. Accordingly, if this proposition is approved, the total sales tax rate would remain at 5%.

It is the intent of the Assembly that taxes collected under this proposed extension of the temporary 1% areawide sales tax be appropriated by the Assembly for the following purposes:

- Deferred maintenance of CBJ and JSD facilities
- Replacement of public safety equipment for JPD and CCFR
- Redevelopment of Gastineau Avenue, Telephone Hill, and North State Office Building Parking Garage
- Affordable housing initiatives, including further development of Pederson Hill
- Harbor expansion and maintenance
- Childcare support
- Lemon Creek multi-modal path
- Relocation of City Museum
- Contribution to the Restricted Budget Reserve
- Information technology upgrades

**PROPOSITION NO. \_\_\_\_\_**

**Authorization to Extend the Temporary 1% Areawide Sales Tax Effective October 1, 2023, for a Period of Five Years.**

Shall the City and Borough of Juneau, Alaska, continue to levy and collect a temporary 1% areawide sales tax on the sale price of retail sales, services, and commercial rentals within the City and Borough for an additional five years , effective October 1, 2023, until September 30, 2028. If this proposition is approved, the total sales tax would remain at 5%.

Extend the 1% sales tax for five years YES [  ]

Extend the 1% sales tax for five years NO [  ]

**Section 5. Effective Dates.**

(a) The amendment of subsection (a) of CBJ 69.05.020 set forth in Section 2 of this ordinance shall become effective on October 1, 2023, if the proposition required by Sections 3 and 4 of this ordinance is approved by a majority of the qualified voters of the City and Borough voting on the proposition at the next regular municipal election.

(b) Sections 3 and 4 of this ordinance authorizing the submission of the ballot proposition to the qualified voters of the City and Borough shall be effective 30 days after adoption of this ordinance.

Adopted this 1<sup>st</sup> day of August, 2022.



Beth A. Weldon, Mayor

Attest:



Elizabeth J. McEwen, Municipal Clerk