

Introduced by: City Manager  
Date: April 13, 2004  
Action:  
Vote:

**CITY OF BETHEL, ALASKA**  
**RESOLUTION # 04 - 13**

**A RESOLUTION OPPOSING THE ADOPTION OF A STATEWIDE SALES TAX**

**WHEREAS**, the City of Bethel is a rapidly developing regional hub that faces many challenges, the least of which is maintaining adequate revenues to sustain and responsibly address, these development demands, and

**WHEREAS**, the city currently has a 5% sales tax that generates more than 70% of its annual revenues;

**WHEREAS**, the city has reviewed the current provisions and formulations for the adoption of a statewide sales tax contained in SB 366;

**WHEREAS**, this statewide sales tax would impose inequitable cost burdens on our, and all Rural communities, by its failure to accommodate the extreme variations in the cost of living experienced between rural and urban areas;

**WHEREAS**, this statewide sales tax would remove from community control the community prerogative of establishing exemptions for goods and services it felt necessary and in the best interest of its citizens;

**WHEREAS**, the city has diligently investigated other forms of taxation including the levying of real property taxes, and the city has determined that a city imposed real property tax would be an extremely inequitable form of tax on its citizens at this time in that better than one half of the lands within the city limits are in ownership by those who would not be subject to such tax;

**WHEREAS**, this tax would make the City of Bethel, and most rural communities within the state, solely dependent on state revenues for their existence, thus compromising the states constitutional intent of allowing and fostering the strongest local controls possible within political subdivisions;

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of Bethel, Alaska opposes the adoption of a statewide sales tax as this would preempt and compromise local tax formulation, local exemption considerations, and governing rules for local tax administration, resulting in irreversible economic consequences that will erode local governments' capacity to self govern.

**PASSED AND APPROVED THIS 23rd DAY OF MARCH 2004, BY A UNANIMOUS VOTE.**

ATTEST:

  
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Hugh Short, Jr., Mayor

  
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Amanda Byington, City Clerk