

Fiscal Note

Kenai Peninsula Borough
Fiscal Year 2024

Ordinance/Resolution:
Fiscal Note Number:
Publish Date: 5/14/2024

Title: Establish an excise tax on tobacco. \$.05 per stick (per cigarette) for cigarettes and 35% of the wholesale cost for other tobacco products. Assuming a July 1, 2025 start date.

Department: Assembly

Sponsor: Ecklund

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

	Current Year Estimate	Out-Year Cost Estimates	
	Year1	Year2	Year 3
	2025	2026	2027
Operating Expenditures			
Personnel <i>1 FTE Program Manager</i>	\$ 193,255	\$ 198,666	\$ 204,229
Supplies	\$ 500	\$ 500	\$ 500
Services <i>Printing, Adv, trvl, postage</i>	\$ 9,990	\$ 7,251	\$ 7,251
Capital Outlay <i>Software</i>	\$ 105,000	\$ 30,000	\$ 30,000
Other <i>Wkstation/software/Tools</i>	\$ 1,665	\$ 1,712	\$ 1,760
Total Operating	\$ 310,410	\$ 238,129	\$ 243,739

Revenue Sources			
Borough wide tobacco excise tax	4,029,900	4,240,000	4,367,200
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Total	4,029,900	4,240,000	4,367,200

Number of Positions			
Full-Time	1		
Part-Time			
Temporary			

Estimated Supplemental Funding: 310,410

ASSOCIATED REGULATIONS

Will the legislation result in procedural or regulation changes within a department? Y N (circle one)

If yes, by what date are the regulations to be adopted, amended or repealed? _____

Ordinance to govern the tobacco excise taxes as well as licensing process, review with state agency/board, exempt card application and issuance process, filing form, delinquencies process, and audit process.

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