

Kenai Peninsula Borough Assembly

MEMORANDUM

TO: Ryan Tunseth, Assembly President
Members, KPB Assembly

FROM: Cindy Ecklund, Assembly Member (P/W) for CE
Willy Dunne, Assembly Member (W)

DATE: April 9, 2026

RE: Ordinance 2026-20, Amending KPB 5.18.200 and KPB 5.18.430 Relating to Borough Sales Tax to Increase the Maximum Amount of a Sale Subject to Borough Sales Tax to \$1,000 and to Exempt a Class of Residential Rentals, Subject to Voter Approval (Ecklund, Dunne)

The ordinance amends KPB 5.18.200 and KPB 5.18.430 to provide an exemption for Residential Rentals in excess of 30 consecutive days, and to increase the sales tax cap from \$500 to \$1,000.

The sales tax cap has not been adjusted since 1965. The failure to adjust the sales tax cap is one reason that more of the local school funding contribution is falling on real property taxpayers.

Your consideration is appreciated.