

Kristine Schmidt

Location:

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I am opposed to this ordinance for the following reasons:

1. Sales taxes are a regressive tax; they have a more negative effect on poor people, so sales taxes, or

increases to sales taxes to raise revenue should be a last resort.

2. Sales tax increases have a negative effect on all businesses.

3. The Borough property tax mill rate remains at a historic low of 4.5 mills. Instead of raising sales taxes, the

Borough property tax mill rate should be increased. Property tax mill rate increases do not need a citizen vote to

put into place, are broad based, and are more fair and less harmful than sales tax increases.

4. Before increasing the sales tax, the Assembly should repeal some of the property tax exemptions it enacted in

the last few years, including (a) the personal property tax exemption (2 million dollars of lost revenue), which

many of us have to pay anyway, since cities like Kenai did not adopt the exemption; and (b) the \$350,000

senior/resident exemption, which is too high.

P.S. I am a senior.

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