

# Kenai Peninsula Borough Assembly

---

## MEMORANDUM

**TO:** Peter Ribbens, Assembly President  
Members, KPB Assembly

**FROM:** Brent Johnson, Assembly Member BJ

**DATE:** June 26, 2025

**RE:** O2025-14, Amending KPB 5.18.430 to Annually Adjust the Sales Tax Cap for Inflation (Johnson)

---

This ordinance takes notice of how the sales tax cap is becoming meaningless because of inflation. The cap was set at \$500 in 1965 and that equivalent value sixty years later is \$5,058. There is no reason to believe inflation won't continue, so the responsibility falls on the Assembly to take action so that the balance between sales tax and property tax doesn't tip more heavily toward property tax.

Your consideration is appreciated.