

## KENAI PENINSULA BOROUGH PROPOSITION SUMMARY

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### PROPOSITION NO. \_\_\_\_

#### ORDINANCE 2025-14: ANNUALLY ADJUST THE SALES TAX CAP FOR INFLATION

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*(To be voted on by all borough voters)*

**Purpose:**

Amends Kenai Peninsula Borough Code of Ordinances, Section 5.18.430, to annually adjust the sales tax cap for inflation.

**Key Provisions:**

1. Annually adjusts the sales tax cap:

The maximum sales tax amount will be adjusted yearly based on the prior year's annual Anchorage Consumer Price Index (CPI) as published by the state.

2. Implementation Date:

If approved by the voters at the October 7, 2025 election, Ordinance 2025-14 will be effective on January 1, 2026.

**Fiscal Impact:**

Per fiscal note, adjusting the sales tax maximum amount will increase revenue from sales tax by approximately \$250,000 to \$500,000.

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### BALLOT LANGUAGE

*As approved by the Assembly \_\_\_\_\_*

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*Shall Ordinance 2025-14, amending the Kenai Peninsula Borough Code of Ordinances 5.18.430 to annually adjust the sales tax cap for inflation, be ratified?*

**YES**    *A "Yes" vote means you approve amending the Kenai Peninsula Borough Code of Ordinances 5.18.430 to annually adjust the sales tax cap for inflation based on the prior year's annual Anchorage Consumer Price Index (CPI).*

**NO**     *A "No" vote means you oppose amending the Kenai Peninsula Borough Code of Ordinances 5.18.430 to annually adjust the sales tax cap for inflation based on the prior year's annual Anchorage Consumer Price Index (CPI).*