



Petersburg Borough

12 South Nordic Drive
Petersburg AK, 99833

Meeting Minutes Sales Tax Ordinance Review Committee

Friday, January 3, 2014

12:00 PM

Assembly Chambers

1. Call to Order/Roll Call

- Present** 6 - Committee Member John Murgass, Committee Member Hillary Whitethorn, Committee Member Nancy Strand, Committee Member Lee Corrao, Committee Member Fran Jones, and Sue Flint
- Absent** 1 - Committee Member Shelly Pope

2. Approval of the Minutes

This was approved

November 26, 2013 Meeting Minutes

Attachments: [Minutes from 11-26-13.pdf](#)

3. Amendment & Approval of Meeting Agenda

4. Visitors Views Unrelated to Agenda

5. Visitors Views Related to Agenda

Harvey Gilliland and Jackie Morrison spoke on protecting the senior exemption. Jackie Morrison also said that perhaps there could be some kind of compromise on the rate structure that would also benefit younger families just starting out.

7. Unfinished Business

8. New Business

Sue Flint read the section 4.28.130 called exemption for the elderly. Bob Nilsen spoke on behalf of other seniors who could not afford to go without the the senior exemption and that it needed to stay in the code. Glo Wollen asked the committee to consider having the senior exemption only on food and heating fuel. She also spoke on the need to keep in mind property owners who were paying property taxes each year.

Chair Flint read an email written by John Hoag speaking as an individual, that he would like to see the exemption limited to low income seniors, and to use their tax return as the method of eligibility. Finance Director Tow spoke on how using a tax return would not be the best method of determining if a senior was considered low income. She researched other methods and thought that it would need to be tied to who qualified with the Alaska State Adult Public Assistance program. Some reasons the low income method would be had to enforce is that seniors would have to renew their exemption card annually once it was determined they qualified that year for the exemption.

Lee Corrao questioned the accuracy of the projection that the senior citizens would double in the next 10 years. John Murgas said that senior citizens have too much pride to use the sales tax card if it was associated with a low income status. He is not in favor of limiting the exemption to only food and fuel. Corrao asked the committee to remember that retail is effected in any changes made to the sales tax ordinance.

It was reported by Finance Director Tow that sales taxes were up \$240,000 from the prior year at this time.

Non resident cards were briefly discussed, there are currently 7 active cards. Committee member Jones stated she would like to look at all the exemptions, Committee member Whitethorn stated she would like to look at limiting exemptions to perhaps food and fuel. No recommendations were made at this time.

Section 4.28.130 Exemption for the Elderly

Attachments: [Section 4.28.130 Exemption for the Elderly.pdf](#)

Senior Exemptions by Category

Attachments: [Senior Exemption Breakdown by Category.pdf](#)

Senior Exemptions in other Alaska communities

Attachments: [Senior Sales Tax exemptions for other Alaska communities.pdf](#)

9. Schedule Next Sales Tax Committee Meeting

February 4th, 2014 meeting scheduled to talk about other taxes, alcohol, cigarette, fish boxes, etc. Meeting scheduled for February 25th to make a recommendation to the Assembly if any.

11. Discussion Items

12. Adjournment

Adjourned at 1:10pm