CODE ORDINANCE

Sponsored by: Mayor Halter

Amended Ordinance Serial No. 17-094: 08/01/17

Postponed indefinitely: 08/01/17

MATANUSKA-SUSITNA BOROUGH ORDINANCE SERIAL NO. 17-094 (SUB)

ORDINANCE OF AN THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY AUTHORIZING THE BOROUGH TO ENACT MSB 1.10.170, 2 AREAWIDE SALES TAX TO SUPPORT EDUCATION, TO GRANT THE BOROUGH THE POWER TO LEVY A 2 PERCENT TAX ON SALES, SERVICES, AND RENTALS WITHIN THE MATANUSKA-SUSITNA BOROUGH WITH A 5 YEAR SUNSET CLAUSE; CALLING A SPECIAL ELECTION ON JANUARY 23, 2018 TO SUBMIT THE QUESTION TO THE VOTERS; AND, PLACING THE QUESTION OF EXTENSION OF THE TAX ON THE REGULAR BOROUGH ELECTION IN OCTOBER, 2022.

WHEREAS, the intent and rationale for this ordinance is found in the Informational Memorandum and Supplemental Informational Memorandum accompanying this ordinance and the discussions of the assembly at meetings in which it was considered.

BE IT ENACTED:

Section 1. <u>Classification</u>. Section 2 of this ordinance is of a temporary nature and shall become a part of the Borough Code until April 30, 2023, it shall then expire unless the Borough voters approve a continuation of the ordinance. All other sections are non-code provisions.

Section 2. Adoption of Section. MSB 1.10.170 is hereby adopted as follows:

1.10.170. 2 PERCENT AREAWIDE SALES TAX TO SUPPORT EDUCATION.

- (a) The borough may exercise the power to levy, collect, and enforce a tax of 2 percent on sales, services, and rentals within the Matanuska-Susitna Borough as a source of Areawide revenue to support education.
- (b) This tax shall expire on April 30, 2023.

 This tax may not be continued without voter approval.

Section 3. Special election and submission to voters. The Matanuska-Susitna Borough Assembly hereby calls a special election to be held on January 23, 2018. The Borough will submit the following proposition to the qualified voters within the Matanuska-Susitna Borough at the special borough election on January 23, 2018. The proposition must receive an affirmative vote from a majority of the qualified voters voting on the question to be approved.

PROPOSITION NO. 1

Enact MSB 1.10.170 and MSB 3.35 2 Percent Areawide Sales Tax To Support Education With a 5 year Sunset Clause

Matanuska-Susitna Borough proposes to enact MSB 1.10.170 and MSB 3.35 "2 Percent Areawide Sales Tax to Support Education" and exercise the power to levy, collect, and enforce a tax of 2 percent on sales, services, and rentals within the Matanuska-Susitna Borough.

The "2 Percent Areawide Sales Tax to Support Education" will expire five years after the effective date and may not be continued without voter approval.

Shall Proposition 1 be adopted?

Yes	No
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Section 4. <u>Submission to the voters</u>. The Borough will submit the following proposition to the qualified voters within the Matanuska-Susitna Borough at the regular borough election in October, 2022. The proposition must receive an affirmative vote from a majority of the qualified voters voting on the question to be approved.

PROPOSITION NO. 1

Continuation of MSB 1.10.170 and MSB 3.35 2 Percent Areawide Sales Tax To Support Education

In 2018, Borough voters approved MSB 1.10.170 and MSB 3.35 "2 Percent Areawide Sales Tax to Support Education" and authorized the power to levy, collect, and enforce a tax of 2 percent on sales, services, and rentals within the Matanuska-Susitna Borough. The authorization contained a five year sunset that the tax may not be continued without voter approval.

Shall MSB 1.10.170 and MSB 3.35 "2 Percent Areawide Sales Tax to Support Education" continue?

Yes	No

Section 5. <u>Effective date</u>. Sections 2, and 4 of this ordinance will take effect on May 1, 2018 only if the proposition in Section 3 is approved by a majority of the qualified voters who vote on the proposition at the special Borough election on January 23, 2018.

The remaining sections of this ordinance take effect immediately.

YES: Beck, McKee, Colligan, Mayfield, Doty, and Kowalke

NO: Sykes