


**SUBJECT:** AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY TO INCREASE THE MARIJUANA SALES TAX LEVY FROM 5% TO 10% AND TO SUBMIT THE QUESTION TO THE QUALIFIED AREAWIDE VOTERS AT THE NOVEMBER 3, 2026 REGULAR BOROUGH ELECTION.

**AGENDA OF:** May 19, 2026

<b>ASSEMBLY ACTION:</b>
-------------------------

**AGENDA ACTION REQUESTED:** Introduce and set for public hearing.

Route To	Signatures
Originator	<div style="text-align: right;">4 / 29 / 2026</div> X N S for Assym Bernier <small>Signed by: Nicholas Spiropoulos</small> 
Finance Director	X Cheyenne Heindel <small>Signed by: Cheyenne Heindel</small>
Borough Attorney	<div style="text-align: right;">4 / 30 / 2026</div> X Nicholas Spiropoulos <small>Signed by: Nicholas Spiropoulos</small>
Borough Manager	<div style="text-align: right;">5 / 5 / 2026</div> X Michael Brown <small>Signed by: Mike Brown</small>
Borough Clerk	X

**ATTACHMENT (S):** Ordinance Serial No. 26-061 (2 pp)  
 Fiscal Note (1 pp)

**SUMMARY STATEMENT:** This ordinance is sponsored by Assemblymember Bernier to increase the current marijuana sales tax from 5% to 10%. An increase in the rate of levy for a sales tax cannot take effect unless ratified by a majority of the voters. See AS 29.45.670. Therefore, this ordinance will place the question before the areawide voters at the November 3, 2026 regular Borough election.

The purpose of this ordinance is to provide for an additional revenue source. Property taxes are an ever increasing burden on homeowners. For several years property values have been increasing dramatically and even though the Borough Assembly has reduced the mill rate, burdens to homeowners increase due to higher values.

By gaining additional revenue from a sales tax, the Borough can add a diversification component to its revenues and offset some of the burden on property owners.

**RECOMMENDATION OF ADMINISTRATION:** Introduce and set for public hearing.

**MATANUSKA-SUSITNA BOROUGH**

**FISCAL NOTE**

Agenda Date: May 19, 2026

SUBJECT: AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY TO INCREASE THE MARIJUANA SALES TAX LEVY FROM 5% TO 10% AND TO SUBMIT THE QUESTION TO THE QUALIFIED AREA WIDE VOTERS AT THE NOVEMBER 3, 2026 REGULAR BOROUGH ELECTION.

FISCAL ACTION (TO BE COMPLETED BY FINANCE)	FISCAL IMPACT <b>YES</b> NO
AMOUNT REQUESTED *	FUNDING SOURCE Marijuana Sales tax revenue
FROM ACCOUNT #	PROJECT
TO ACCOUNT: 100.000.000 3xx.xxx	PROJECT #
VERIFIED BY: _____ X <u>L i e s e l Z a n t o</u> _____ S i g n e d b y : L i e s e l Z a n t o	

**EXPENDITURES/REVENUES:**

(Thousands of Dollars)

OPERATING	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031
Personnel Services						
Travel						
Contractual						
Supplies						
Equipment						
Land/Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING						

CAPITAL						
---------	--	--	--	--	--	--

REVENUE		* _____	_____	_____	_____	_____
---------	--	---------	-------	-------	-------	-------

**FUNDING:**


(Thousands of Dollars)

General Fund		* _____	_____	_____	_____	_____
State/Federal Funds						
Other						
TOTAL		* _____	_____	_____	_____	_____

**POSITIONS:**

Full-Time						
Part-Time						
Temporary						

**ANALYSIS: (Attach a separate page if necessary) \*Amount depends on actual sales tax collected**

APPROVED BY:	 X <u>C h e y e n n e H e i n d e l</u> _____ S i g n e d b y : C h e y e n n e H e i n d e l
--------------	---