

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

Lewis

3
4 **ORDINANCE 12-54(S)**

5
6 AN ORDINANCE OF THE HOMER CITY COUNCIL,
7 AMENDING HCC 9.16.040 AND HCC 9.16.100 TO MAKE
8 CERTAIN CATEGORIES OF NONPREPARED FOODS
9 SUBJECT TO THE CITY OF HOMER SALES TAX ON A
10 YEAR-ROUND BASIS.

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12 WHEREAS, A proposition was passed by the voters in the Kenai Peninsula Borough
13 (“Borough”) exempting nonprepared foods from sales tax from September 1st through May 31st;
14 and

15
16 WHEREAS, The Borough adopted Ordinance 2008-28 authorizing cities within the
17 Borough, including the City of Homer (“City”), to continue taxing nonprepared foods during the
18 period from September 1st through May 31st despite the Borough’s exemption of such foods from
19 sales tax during those months; and

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21 WHEREAS, The City enacted Ordinance 08-32(S)(A-2) on December 8, 2008 exempting
22 the sales of nonprepared foods from City sales tax during September 1st through May 31st of each
23 year; and

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25 WHEREAS, The loss of sales tax revenues on the sale of nonprepared foods has had a
26 substantial negative impact on funding for essential City services including but not limited to
27 water, sewer, and road project matching funds and has required the almost complete elimination
28 of all non-essential City services; and

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30 WHEREAS, It is in the City’s best interest to reinstate the sales tax at the full 4.5% rate
31 on a year-round basis on the categories of nonprepared foods described in Homer City Code
32 9.16.100(c), enacted by this ordinance, to provide funding for City services.

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34 **THE CITY OF HOMER HEREBY ORDAINS:**

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36 Section 1. The City of Homer exercises the authority granted it under Kenai
37 Peninsula Borough Ordinance 2008-28 to levy and collect sales taxes on the nonprepared food
38 items described in Homer City Code 9.16.100(c), enacted by this ordinance, on a year-round
39 basis notwithstanding Kenai Peninsula Borough Initiative Ordinance 2008-01.

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41 Section 2. Homer City Code 9.16.040 is amended to read as follows:

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43 9.16.040 Borough Provisions Adopted by Reference. Subject to Section 9.16.100,
44 ~~Those~~ sections of the Kenai Peninsula Borough Code of Ordinances applicable to the levy and
45 collection of the sales tax described in this chapter are incorporated by this reference and made a
46 part of this chapter as though fully set forth in this chapter.

93 AYES:
94 NOES:
95 ABSTAIN:
96 ABSENT:

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99 First Reading:
100 Public Reading:
101 Second Reading:
102 Effective Date:

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104

105 Reviewed and approved as to form:

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108 _____
109 Walt Wrede, City Manager

Thomas F. Klinkner, City Attorney

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111 Date: _____

Date: _____