

1 CITY OF HOMER

2 HOMER, ALASKA

3
4 ORDINANCE 85-37

5 AN ORDINANCE PROVIDING FOR CONTINUATION OF THE LEVY OF
6 AN EXISTING TWO PER CENT TAX ON SALES, RENTS AND SERVICES
7 WITHIN THE CITY OF HOMER CONTINGENT UPON THE SETTING OF THE
8 MILL LEVY ON PROPERTY LOCATED THEREIN AT A MAXIMUM OF SIX
9 MILL, WHICH SALES TAX ORIGINALLY BECAME EFFECTIVE JULY 1,
10 1984, AND FOR THE LEVYING OF A SIMILAR TWO PERCENT SALES
11 TAX TO SUCCEED THE 1984 TAX; SETTING AN EFFECTIVE DATE AND
12 INCORPORATING KENAI PENINSULA SALES TAX PROCEDURES.

13 WHEREAS, the City of Homer enacted a sales tax ordinance
14 with an effective date of July 1, 1984, said tax being in the
15 amount of two percent (2%) on all sales, rents, and sources
16 within the City of Homer contingent upon the setting of the
17 City's mill levy on property located within the City at a maximum
18 of six (6) mill, and

19 WHEREAS, a court challenge to the sales tax, although
20 leaving the tax in place, raised certain legal questions
21 concerning the vote on the original sales tax, and

22 WHEREAS, at the regular municipal election held October 1,
23 1985, the following proposition was voted upon by the residents
24 of the City of Homer:

25 "Shall the City of Homer by enactment
26 of an ordinance so providing, continue
to set the property tax mill levy at an
annual rate of six mill or less through
levy of a two percent sales tax on all
sales, rents and services within the
City, except as the same may be otherwise
exempted by law. The revenues from the
sales tax shall be placed in the General

OFFICES OF HAHN, JEWELL & STANFILL
431 WEST SEVENTH AVENUE, SUITE 212
ANCHORAGE, ALASKA 99501 - TELEPHONE 279-1944
HOMER, ALASKA - TELEPHONE 238-8708

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

Fund. Voter authorization for the two percent sales tax shall only remain in effect for those years that the City Council sets the property mill levy at six mill or less. Should the proposition be disapproved by the voters at this election, the existing sales tax will continue in full force and effect until June 30, 1986 after which it shall cease to be levied."

AND WHEREAS, the foregoing proposition received affirmative votes from approximately 70% of those casting a ballot in the election of October 1, 1985,

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1, Continuation of Sales Tax. The City of Homer's two percent (2%) sales tax effective July 1, 1984, is hereby continued in full force and effect until the effective date of the sales tax approved by the voters October 1, 1985, on all sales, rents and services within the City except as the same may be otherwise exempted by law.

Section 2. Levy of Sales Tax. A consumer's sales tax in the amount of two percent (2%) is hereby levied by the City of Homer on all sales, rents and services within the City except as the same may be otherwise exempted by law.

Section 3. Mill Rate Contingency. The sales tax enacted hereby shall remain in effect only in such years that the City Council sets the property mill levy at six (6) mill or less. In such years as the property mill levy exceeds six (6) mill, this sales tax levy shall not be in effect.

Section 4. Effective Date. The effective date of the sales tax enacted by this ordinance is November 26 , 1985.

OFFICES OF HAHN, JEWELL & STANFILL
431 WEST SEVENTH AVENUE, SUITE 212
ANCHORAGE, ALASKA 99501 • TELEPHONE 279-1544
HOMER, ALASKA • TELEPHONE 235-8709

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

Section 5. Referral to Kenai Peninsula Borough for Collection. Upon enactment, this ordinance shall be referred to the Kenai Peninsula Borough for notification of tax registrants within the City and for implementation of other collection procedures as required by law.

Section 6. Borough Sales Tax Provisions Adopted by Reference. Those sections of the Kenai Peninsula Borough Code of Ordinances applicable to the levy and collection of the foregoing sales tax are hereby incorporated by this reference and made a part hereof as though fully set forth herein, with the exception of Section 5.18.255 E.6. of said Code. The place of sale under this ordinance shall be the point of origin and/or the business location of the transaction. The place of sale for electric utility companies, however, is the point of delivery to the consumer.

Section 7. Insertion in Municipal Code. This ordinance shall be appropriately numbered and added to the Homer Municipal Code.

CITY OF HOMER



LEO RHODE, Mayor

OFFICES OF HAHN, JEWELL & STANFILL
431 WEST SEVENTH AVENUE, SUITE 212
ANCHORAGE, ALASKA 99501 • TELEPHONE 279-1944
HOMER, ALASKA • TELEPHONE 235-8709

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

Kathleen Corriveau
Kathleen Corriveau, City Clerk

First Reading 10/28/85

Public Hearing 11/25/85

Second Reading 11/25/85

Reviewed and approved as
to form this 25th day of
November, 1985.

A. Robert Hahn
A. Robert Hahn, Jr.
City Attorney

Reviewed and approved as
to form this 26 day of
November, 1985.

Philip C. Shealy
Philip C. Shealy
City Manager