

1
2
3
4
5
6
7
8
9
10
11

**CITY OF HOMER
HOMER, ALASKA**

Lewis

12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42

RESOLUTION 16-045

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
REQUESTING THAT THE KENAI PENINSULA BOROUGH
CATEGORIZE SNACK FOOD AS PREPARED FOOD AND
CATEGORIZE DIAPERS AND FEMININE HYGIENE PRODUCTS AS
ESSENTIAL GOODS FOR SALES TAX PURPOSES.

WHEREAS, In 2008 Kenai Peninsula Borough (“Borough”) voters passed Initiative Ordinance 2008-01 exempting non-prepared foods from sales tax from September 1st through May 31st each year; and

WHEREAS, The intent of the Ordinance is to exempt non-prepared foods and other essential goods from sales tax, as supported by the Borough’s Sales Tax Code 5.18.200 providing tax exemptions and waivers for certain categories of essential services and consumer goods; and

WHEREAS, The City of Homer’s Ordinance 15-19(A-2) identifies a certain class of foods as taxable prepared, non-essential foods which the Borough’s ordinance currently exempts as non-prepared foods; and

WHEREAS, In October 2015 the voters passed Proposition 1 which repealed a 2008 borough ordinance that allowed general law cities like Homer to levy their own sales taxes at their discretion; and

WHEREAS, The Kenai Peninsula Borough is the tax collecting agency for the City of Homer; and

WHEREAS, The loss of sales tax revenues on the sale of these items has had a substantial negative impact on funding for essential City services including but not limited to water, sewer, and road project matching funds; and

WHEREAS, Two personal hygiene items (diapers and feminine hygiene products) are essential goods, not luxury items and yet are currently subject to Borough sales tax year-round; and

WHEREAS, This is a non-optional tax on items of necessity borne by only half the population and primarily young families and the elderly.

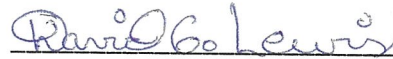
43 NOW, THEREFORE, BE IT RESOLVED that the Homer City Council requests that the
44 Borough categorize snack food items (soda drinks, candy, cookies, ice cream, etc. as defined
45 in City of Homer's Ordinance 15-19(A-2)) as prepared food and therefore subject to year-
46 round sales tax.

47
48 BE IT FURTHER RESOLVED that the Homer City Council supports a Borough sales tax
49 waiver for two essential goods: diapers and feminine hygiene products.

50
51 PASSED AND ADOPTED by the Homer City Council this 25th day of April, 2016.

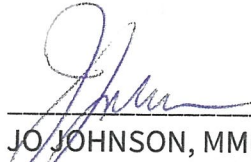


CITY OF HOMER



DAVID G. LEWIS, MAYOR PRO TEMPORE

58 ATTEST:

59
60
61 

62 JO JOHNSON, MMC, CITY CLERK

63
64 Fiscal Note: N/A