

Property Tax Relief Task Force Mission

July 25, 2007

By Sept 4, 2007 bring forward a recommendation for significant and lasting property tax relief to Anchorage's citizens and businesses, including a workable, broad-based, alternative revenue mechanism for the Municipality of Anchorage and the Anchorage School District to fund that relief. The solution should meet the following criteria:

Diversify municipal revenues to obtain significant and lasting relief

It is unacceptable that 2/3rds of the local funds supporting our general government and school district budget come from a single source – property tax - falling on a single segment of the community. Taxpayers get value for their money but a broader revenue base ensures that all who benefit are paying their fair share for schools, public safety, infrastructure development and local government. Significant relief means that in the first full year of implementation of the solution, taxpayers should pay at least one third less than they would have paid without the relief.

Keep current spending caps in place

This mechanism should be dollar for dollar property tax relief. It cannot become a backdoor way of getting around either the taxation limits that citizens voted into the charter or the spending limits the assembly voted into the municipal code.

Build on Anchorage's unique role as the economic and commercial hub of the region, while recognizing the dynamics of a changing economic environment

Anchorage must continue to be a good place to start a business, to locate a work force and to take advantage of commercial opportunities. Anchorage has historically relied on property taxes, however as our economy changes, so must our revenue sources.

Incorporate best administrative practices

Act with foresight to the possible costs of a crisis down the road. Our concentration of revenues is inviting trouble. It makes sense for our community to act thoughtfully now and avoid crisis later.

Create clear obligations that are simple to understand and meet.

Use modern technology. While taxing jurisdictions around the world spend billions to bring paper-based systems into the web-age, Anchorage can leapfrog there directly.