

CLERK'S OFFICE
AMENDED AND APPROVED
Date: 3-2-04

Submitted by: Chairman Traini and
Assemblymember Tesche
Prepared by: Department of Assembly
For reading: March 2, 2004

ANCHORAGE, ALASKA
AR NO. 2004-58

**A RESOLUTION OF THE ANCHORAGE MUNICIPAL ASSEMBLY OPPOSING
LEGISLATION ESTABLISHING A STATEWIDE TAX ON TOURIST LODGING
ACCOMMODATIONS.**

~~WHEREAS, the 23rd Legislature has proposed two bills relating to the levy and
collection of an assessment on certain tourism-related and recreation-related goods and services;
SB 254 and HB 426; and~~

~~WHEREAS, certain sections of SB 254 and HB 426 would enact a levy of a "sustainable
tourism and recreation assessment" on the rental of all short-term tourist lodging
accommodations; and~~

~~WHEREAS, the framers of Alaska's Constitution ensured local control and "maximum
local self-government" by the people; and~~

~~WHEREAS, the Alaska Municipal League's 2004 Policy Statement regarding tax levying
authority is in opposition to "any action that would diminish the existing statutory authority of
local government to raise needed revenues through the levy of taxes. The League opposes any
efforts by the state that would reduce local tax bases. . . . The League supports municipal control
over sales and property tax. These taxes are the principle sources of local government revenue,
and therefore, require local control"; and~~

~~WHEREAS, the Governor's Office in a February 4, 2004, letter to the State legislative
leadership proposed a 5% transient accommodation tax on cruise ships, shore-side lodging, and
tourist activities; and~~

~~WHEREAS, a statewide levy of a tax on tourist accommodations would increase the
Municipality of Anchorage's bed tax from 8% to a level that would likely prevent the city from
raising revenue for tourism-related purposes with an additional increase in the local bed tax; and~~

~~WHEREAS, tourists expect to pay their fair share of taxes but not an undue proportion;
and~~

1 WHEREAS, the Municipality of Anchorage's 2004-2009 Capital Improvement Program
2 includes a new Anchorage Convention Center project to maintain and improve the quality of
3 Anchorage's "community, security, and prosperity" through a ballot proposition increasing the
4 hotel/motel bed tax from 8% to 12%; and
5

6 WHEREAS, on February 23, 2004, the Municipality issued a Request for Proposals
7 (RFP) for a new Alaska Civic and Convention Center with the intention of financing the center
8 in part from public funds from an increase in the local bed tax; and
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10 WHEREAS, the new Convention Center is expected to generate millions of dollars for
11 the economy of Anchorage and the State in construction and co-development jobs.

12 NOW THEREFORE BE IT RESOLVED:

13 a tax on hotel/motel tourist lodging
14 The Anchorage Assembly opposes ~~statewide tourism-related taxes on accommodations~~;
15 and
16

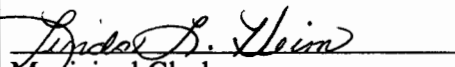
17 The Anchorage Assembly endorses careful policy decisions that will develop and nurture
18 tourism's role as a growing source of both employment and government revenue to the benefit of
19 both the State and the Municipality.
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21 PASSED AND APPROVED by the Anchorage Assembly this 2nd day of
22 March, 2004.
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Chair

ATTEST:


Municipal Clerk
Deputy