

2011
Tax Limit Calculation
Anchorage Municipal Charter 14.03 and Anchorage Municipal Code 12.25.040

Line		2010		2011	
		Revised		Revised	
1	<u>Step 1: Building Base with Taxes Collected the Prior Year</u>				
2	Real/Personal Property Taxes to be Collected	\$	234,643,123	\$	221,394,860
3	Payment in Lieu of Taxes (State & Federal)		870,741		919,000
4	Automobile Tax		5,500,000		4,984,000
5	Tobacco Tax		16,300,000		16,300,000
6	Aircraft Tax		225,000		210,000
7	Motor Vehicles Rental Tax		4,419,000		4,271,327
8	MUSA/MESA		-		6,328,914
9	Step 1 Total	\$	261,957,864	\$	254,408,101
10					
11	<u>Step 2: Back out Prior Year's Exclusions Not Subject to Tax Limit</u>				
12	Taxes Authorized by Voter-Approved Ballot - O&M Reserves (One-Time)		(440,000)		(440,000)
13	Judgments/Legal Settlements (One-Time)		(83,345)		(539,824)
14	Debt Service (One-Time)		(47,823,086)		(35,582,194)
15	Step 2 Total		(48,346,431)		(36,562,018)
16					
17	Tax Limit Base (before Adjustment for Population and CPI)	\$	213,611,433	\$	217,846,083
18					
19	<u>Step 3: Adjust for Population, Inflation</u>				
20	Population 5 Year Average	0.90%	1,922,500	1.00%	2,178,460
21	Change in Consumer Price Index 5 Year Average	2.90%	6,194,730	2.60%	5,664,000
22	Step 3 Total	3.80%	8,117,230	3.60%	7,842,460
23					
24	The Base for Calculating Following Year's Tax Limit	\$	221,728,663	\$	225,688,543
25					
26	<u>Step 4: Add Taxes for Current Year Items Not Subject to Tax Limit</u>				
27	New Construction		2,326,260		1,657,790
28	Taxes Authorized by Voter-Approved Ballot - O&M		1,977,471		477,916
29	Taxes Authorized by Voter-Approved Ballot - O&M Reserves (One-Time)		440,000		440,000
30	Judgments/Legal Settlements (One-Time)		539,824		118,550
31	Debt Service (One-Time)		35,582,194		49,147,385
32	Step 4 Total		40,865,749		51,841,641
33					
34	Limit on ALL TAXES that can be collected	\$	262,594,412	\$	277,530,184
35					
36	<u>Step 5: To determine limit on property taxes, back out other taxes</u>				
37	Payment in Lieu of Taxes (State & Federal)		(919,000)		(919,000)
38	Automobile Tax		(4,984,000)		(5,040,000)
39	Tobacco Tax		(16,300,000)		(21,300,000)
40	Aircraft Tax		(210,000)		(210,000)
41	Motor Vehicle Rental Tax		(4,271,327)		(4,753,653)
42	MUSA/MESA		(6,328,914)		(13,187,332)
43	Step 5 Total		(33,013,241)		(45,409,985)
44					
45	Limit on PROPERTY TAXES that can be collected	\$	229,581,171	\$	232,120,199
46					
47	<u>Step 6: Determine property taxes to be collected if different than Limit on Property Taxes that can be collected</u>				
48	Property taxes to be collected based on spending decisions minus other available revenue.				
49					
50	Property taxes TO BE COLLECTED	\$	221,394,860	\$	225,635,199
51					
52	Amount below limit on property taxes that can be collected ("under the cap")	(8,186,311)		(6,485,000)	

There also are service areas with boards that set their maximum mill levies. The property taxes in these service areas are not subject to the Tax Limit Calculation ("outside the cap"). The 2011 total property taxes "outside the cap" is \$15,528,727, making the total of all property taxes to be collected \$241,163,926.