

# Tax Limit Calculation

## Anchorage Municipal Charter 14.03 and Anchorage Municipal Code 12.25.040

Line		2021		2022		Line
		at Revised		at Revised		
1	<u>Step 1: Building Base with Taxes Collected the Prior Year</u>					1
2	Real/Personal Property Taxes to be Collected		292,591,547		297,714,363	2
3	Auto Tax		10,508,117		10,508,117	3
4	Tobacco Tax		20,000,000		20,700,000	4
5	Aircraft Tax		182,000		126,000	5
6	Marijuana Sales Tax		4,100,000		5,400,000	6
7	Motor Vehicle Rental Tax		7,300,000		5,100,000	7
8	Fuel Excise Tax		13,440,000		12,640,000	8
9	Payment in Lieu of Taxes (State & Federal)		973,000		10,863,283	9
10	MUSA/MESA		30,093,992		20,818,552	10
11	Step 1 Total		379,188,656		383,870,315	11
12						12
13	<u>Step 2: Back out Prior Year's Exclusions Not Subject to Tax Limit</u>					13
14	Judgments/Legal Settlements (One-Time)		(1,981,050)		(2,127,830)	14
15	Debt Service (One-Time)		(54,091,332)		(54,545,777)	15
16	Step 2 Total		(56,072,382)		(56,673,607)	16
17						17
18	Tax Limit Base (before Adjustment for Population and CPI)		323,116,274		327,196,708	18
19						19
20	<u>Step 3: Adjust for Population, Inflation</u>					20
21	Population 5 Year Average	-0.70%	(2,261,810)	-0.60%	(1,963,180)	21
22	Change in Consumer Price Index 5 Year Average	0.80%	2,584,930	1.70%	5,562,340	22
23	Step 3 Total	0.10%	323,120	1.10%	3,599,160	23
24						24
25	The Base for Calculating Following Year's Tax Limit		323,439,394		330,795,868	25
26						26
27	<u>Step 4: Add Taxes for Current Year Items Not Subject to Tax Limit</u>					27
28	New Construction		2,058,526		2,631,367	28
29	Taxes Authorized by Voter-Approved Ballot - O&M		651,500		692,000	29
30	Judgments/Legal Settlements (One-Time)		2,127,830		165,050	30
31	Debt Service (One-Time)		54,545,777		54,847,881	31
32	Step 4 Total		59,383,633		58,336,298	32
33						33
34	Limit on ALL Taxes that can be collected		382,823,027		389,132,166	34
35						35
36	<u>Step 5: To determine limit on property taxes, back out other taxes</u>					36
37	Automobile Tax		(10,508,117)		(10,606,323)	37
38	Tobacco Tax		(20,700,000)		(20,700,000)	38
39	Aircraft Tax		(126,000)		-	39
40	Marijuana Sales Tax		(5,400,000)		(6,000,000)	40
41	Motor Vehicle Rental Tax		(5,100,000)		(8,300,000)	41
42	Fuel Excise Tax		(12,640,000)		(13,300,000)	42
43	Payment in Lieu of Taxes (Utility, State, and Federal)		(10,863,283)		(12,259,549)	43
44	MUSA/MESA		(20,818,552)		(20,083,652)	44
45	Step 5 Total		(86,155,952)		(91,249,524)	45
46						46
47	Limit on PROPERTY Taxes that can be collected		296,667,075		297,882,642	47
48						48
49	Add General Government use of tax capacity within the Tax Cap		1,047,288		991,378	49
50						50
51	Limit on PROPERTY Taxes that can be collected within the Tax Cap		297,714,363		298,874,020	51
52						52
53	<u>Step 6: Determine property taxes to be collected if different than Limit on Property Taxes that can be collected</u>					53
54	Property taxes to be collected based on spending decisions minus other available revenue.					54
55						55
56	Property taxes TO BE COLLECTED		297,714,363		293,092,584	56
57						57
58	Amount below limit on property taxes that can be collected ("under the cap")		-		5,781,436	58

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 2022 total property taxes "outside the cap" is **\$22,968,568**, making the total of all property taxes to be collected for General Government **\$316,061,152**.