

## RESOLUTION 20-26

### **A RESOLUTION OF THE ALEUTIANS EAST BOROUGH ASSEMBLY SUPPORTING A PROGRESSIVE GRADUATED STATEWIDE INCOME TAX AS PART OF A SUSTAINABLE BUDGET FOR THE STATE OF ALASKA.**

**WHEREAS**, the Aleutians East Borough recognizes that the State of Alaska may consider raising revenues as part of a comprehensive plan to address the State's budgetary shortfall; and

**WHEREAS**, broad base taxes have previously been identified as part of a potential revenue package to close the State's fiscal gap and construct a sustainable budget; and

**WHEREAS**, options for a broad-based tax include a graduated income tax and a State sales tax; and

**WHEREAS**, a sales tax is a regressive tax that would disproportionately burden low income Alaskans, especially Alaskans with large families; and

**WHEREAS**, the amount of sales tax paid increases with the price of goods being purchased and penalizes rural residents of Alaska already facing higher prices for goods and services; and

**WHEREAS**, a sales tax uniformly imposed Statewide would require rural residents to shoulder a disproportionate share of any such tax; and

**WHEREAS**, imposing a sales tax would raise the already high cost of living for rural Alaskans, would potentially impact those communities that already have a local sales tax and further jeopardize the viability of rural cities and villages; and

**WHEREAS**, sales taxes have historically been levied by municipal governments to pay for vital public services such as public safety, transportation, infrastructure maintenance, and education; and

**WHEREAS**, a progressive graduated income tax would tax Alaskans based on income and ability to pay; and

**WHEREAS**, a progressive graduated income tax would tax all income earned in Alaska allowing the State to collect from out-of-state seasonal and year-round income earners that now benefit from government services without contributing toward the service support.


**NOW THEREFORE, BE IT RESOLVED**, that the Aleutians East Borough supports a progressive graduated income tax rather than a sales tax as part of any comprehensive plan to enact a sustainable State budget.

**PASSED AND ADOPTED** by the Aleutians East Borough on this 10<sup>th</sup> day of October, 2019.

  
\_\_\_\_\_

Alvin D. Osterback, Mayor

ATTEST:

  
\_\_\_\_\_

Tina Anderson, Clerk