Introduced by: Council Member Leif Albertson

Date: June 13, 2017

Public Hearing: June 27, 2017

Action: Passed Vote: 5-2

# CITY OF BETHEL, ALASKA

### Ordinance #17-36

AN ORDINANCE SUBMITTING TO THE QUALIFIED VOTERS OF THE CITY OF BETHEL, A BALLOT PROPOSITION AMENDING THE BETHEL MUNICIPAL CODE TO INCREASE THE ALCOHOL BEVERAGE SALES TAX FROM 12% (TWELVE PERCENT) TO 15% (FIFTEETH PERCENT) AND TO DEDICATE 3 20% OF THE REVENUE GENERATED FROM THE TAX TO HEALTH, PUBLIC SAFETY AND SOCIAL SERVICE USES RELATED TO ALCOHOLIC BEVERAGES, AND TO PROVIDE FOR APPROVAL BY A MAJORITY OF QUALFIED VOTERS VOTING ON THE QUESTION

Therefore be it Enacted by the Bethel City Council that:

**SECTION 1.** Pursuant to state law, a ballot proposition in substantially the following form and substance shall be submitted to the qualified voters of the City of Bethel at the next regular Municipal election to be held October 3, 2017:

#### PROPOSITION NO.1

Shall the City of Bethel increase the alcohol tax on the sales of alcoholic beverages in the City of Bethel to 15%? (Ordinance No. 17-36)

#### **Explanation:**

A "Yes" vote will increase the tax on alcohol sales from a rate of 12% to a rate of 15%.

A "No" vote will maintain the tax on alcohol sales at a rate of 12%.

**SECTION 2** Amend the Bethel Municipal Code, Section 4.13.030 to read (new language is underlined old language is stricken):

## **Section 4.16.030 Imposition – Rate.**

A. There is levied and shall be collected a sales tax on all sales transaction in the City unless specifically exempted under this chapter. The tax is six (6) percent of the selling price.

B. The tax to be added to the sale price shall be twelve percent (12%) fifteen percent (15%) for alcohol.

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C. The tax to be added to the sale price, shall be and twelve percent (12%) transient lodging.

**SECTION 3.** For such period of time as the City of Bethel, Alaska, levies a tax as under Section 2 of this Ordinance at Section 4.16.030(B) of the Bethel Municipal Code at a rate of 15% or greater, 3 20% of the revenues collected from the sales of alcohol in each fiscal year shall be placed in a separate interest bearing account. The funds generated in the separate interest bearing account will be used to fund the Community Action Grant programs which shall focus on advancing the communities opportunities, sustainability and wellbeing with components that foster community wellness, direct impact to the community's vulnerable populations and/or civic engagement of Bethel residents and project beneficiaries.

**SECTION 4.** The proposition contained in Section 1, the amendments outlined in Section 2, and the designation of funds provided in Section 3 of this ordinance, shall become effective if, and only if, approved by a majority of the voters voting on the question.

BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF BETHEL ALASKA, THIS 27 DAY OF JUNE 2017, BY A VOTE OF 5 IN FAVOR AND/2 OPPOSED.

Richard Robb, Mayor

ATTEST:

Lori Strickler City Clerk