



ALASKA

The Voice of Small Business®

March 17, 2011

Honorable Cathy Munoz, Chair  
House Community and Regional Affairs Committee  
Alaska House of Representative  
State Capitol Building  
Juneau, AK 99801-1182

**RE: Property Tax Exemptions**

Dear Representative Munoz:

On behalf of the National Federation of Independent Business/Alaska, I wish to express our opposition to adding new groups to or increasing residential property tax exemptions. Over 60% of the NFIB/AK membership voted to oppose increases in the residential property tax exemption in the NFIB Alaska State Ballot. The National Federation of Independent Business is the largest small-business advocacy group in Alaska.

Increases in or addition of new classes to the residential property tax exemption is one more step toward a “split roll” tax that will shift property taxation onto businesses. As small business owners, we believe that all users of municipal services should share property taxes equally. As fewer individuals are directly impacted by property taxes, tax increases are more likely. For small businesses that will increase operating costs and, particularly in the current economic situation, may reduce the ability of small businesses to increase employment and help our economy grow. In some cases, it will be the cost that causes businesses to close their doors.

While we appreciate the concern about the impact of local property taxes on residential property, we believe that reducing expenditures is a more appropriate means of reducing those costs, rather than shifting them to others.

Sincerely yours,

Dennis L. DeWitt  
Alaska State Director