

From: [Bruce Vadla](#)
To: [Senate Finance Committee](#); [Sen. Peter Micciche](#)
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Please keep your budget cuts to a responsible level. Spending for all state programs will help ease the downturn in the state economy. Reasonable cuts to all programs is expected by all of us here in AK, and it is certainly your responsibility to look very carefully at the huge expense column in the budget. But quickly cutting the flow of state budget money into the local economy coupled with the drastic downturn in oil related cash flow will cause a more severe crash.

New revenue must be part of the plan. Permanent fund money is the obvious pile we have to scoop funds from. However, depleting the "Permanent Fund" in a couple years is not a solution. Spending from the Permanent Fund can only be a short term source of budget funding. We need to spread out the cost of keeping the state running among various revenue sources for a longer term solution

The Permanent Fund is the only source of revenue that effects only Alaskans. **Don't take any more money than necessary from the Permanent Fund!!!**

Sales tax is paid by tourists and visitors, but, unless you tax on-line sales, a sales tax will drive money away from local/ state businesses. Also, sales taxes are regressive unless you exempt basics such as food and fuel.

State income taxes effect all people who earn money in this state. People who pay state income tax can reduce federal taxes because of that expense. State income taxes based on federal tax liability will make it an easy tax to determine, and it will keep the expense of collecting the tax down. If we tax all income earners we will get some funding from people who earn money here but do not live here. Keeping the PFD as high as possible will "reimburse" Alaskans for the new income tax to some degree.

Any budget solution should include revenue enhancement. New revenue streams need to be implemented with the best long term effect on Alaskans as the primary goal. I support a state income tax to help bring in money we need and to be a stabilizing part of the long term state budget plan.

Bruce Vadla
399 W Riverview Ave
Soldotna, AK 99669