

The governor's own people have said in public testimony that the revenue raised by the income tax can be raised simply by taking another \$70 from the public's dividend checks. This is before taking into account the millions that would be spent on income tax software and hiring state employees to handle the tax documents. Now is not the time to add millions in payroll and overhead to the state budget requirements when money can be raised more cheaply and easily by taking it from the dividend. The income tax solution is too expensive to implement.

Then there is the question of who will provide the software. News reports have recently documented the sweetheart deal involved in the software used to detect PFD fraud. Is something similar in the works for the income tax software?

Keep the solution simple and transparent. Take another \$70 from each dividend check and scrap the expensive income tax that will grow government payroll in the midst of a budget crisis.

Jim Latham

I am a concerned citizen of Alaska. We all need to slow down and look at this tax amount that is proposed. The 15 percent number is too high how did we not decide to start at 5 percent or maybe 7. The amount that is estimated to be collected would be less, but the tax payers would be more likely to support a smaller amount and then add a sales tax. The budget cuts that are proposed are not enough because they don't reflect even a close connection to what the private sector is faced with. This includes lower employment numbers for private sector businesses which means less income as it is. I know this number is low relative to other states, but not one of those states has a fund like we do. I want to make sure this tax decision is made by a true representation of the tax payer base. The only way to ensure fairness would be to put the proposal in the next election and let the people decide by a vote. Remember by the people and for the people it works.

Eric Cummings

The PFD should be taxed on a sliding scale, depending on household income. The elderly and working poor need it more than the middle class, take ours not theirs!

But I truly believe that a 15% tax will be force many affluent people to flee Alaska. I would be willing to give 10% of my federal tax. The 10% capital gains tax is out and out discrimination against those who have invested their money wisely.. we will leave the state if that is passed! Taking hard earned retirement money is wrong!

A more reasonable approach is to spread the burden. There should be a sales tax of 5%. A maximum tax of \$200 on large purchases, such as a car, boat, home etc. would prevent the tax from being too onerous. Exempt groceries, medical care and thrift stores.

A sales tax will bring in revenue from tourists (who pay nothing) and ensures everyone pay their fair share. It is not a regressive tax as groceries, thrift store sales and medical costs are exempt. It only taxes disposable income.

Furthermore, I believe that legislatures should only get an a stipend to travel home once per month. If they want to travel more frequently, they have to pay for it. Being a legislator is a sacrifice that was chosen. It should not be rewarded generously with travel perks.

Carolyn Frey
Wasilla, Alaska

I wanted to express my strong opposition to the income tax. I'd like to see the following take place:

1. Cut spending.
2. Use full PFD. I do not feel entitled to that money and it should be used in this time of crisis.
3. Sales tax. A fair way for tourists and all residents to pitch in.

An income tax only further burdens the few contributing members of society, already we are supporting too many others.

Ryan

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Ryan Groeneweg

Mr. Cole,

Ok I get it with a big fat but!

Alaska has more far more State expenditures per capita than any other State in the U.S. At \$19,791 (2014) per capita expenditure per person Alaska's expenditures grossly exceed the much derided expenditures of States like California, New York and even the socialist Mecca of Massachusetts. The next highest expenditure per person is found in Wyoming at \$13,138. **THIS IS THE REASON THE FOLKS WHO WANT MORE CUTS HAVE A GOOD ARGUMENT!!!** This data comes from the Tax Policy Center for 2014. The cuts so far will not have much impact on the expenditure rate for Alaska, in my mind. Am I wrong?

The other thing is that the 4.75percent withdrawal rate from the permanent fund is toooooo high. My financial advisor recommends we take between 3-4 percent per year from our retirement savings if we want it to last the rest of our lifetime. Why is the State different?

Until I get answers to these questions I am opposed to this tax and continue spending policy our representatives put forth. I would much prefer a sales tax that captures revenue from more sources and over which I have some control through purchase choices.

Also how does the income tax capture revenue from summer visitors and our growing migratory work force and business owners? I know a fair number of people who work or operate businesses in the summer and head south for the winter. Are they taxed under this plan? They certainly utilize State resources.

Finally I strongly object to the continued expenditure of State funds on multinational corporations to incentivize the hunt for gas and oil. **THE STATE SHOULD NOT BE PAYING THE PRIVATE SECTOR TO LOOK FOR THE PRODUCT THEY PRODUCE PERIOD!**

We are a retired couple with a good income. This plan would cost us more than \$4,000 per year to live in Alaska, a place where the very high cost of living already is noticeable.

Mike McQueen
Copper Center

I strongly oppose house bill 115 as currently described in Dermot Cole's editorial in the Alaska Daily News, Feb 19th issue.

First of all, Alaska spends more per capita annually than any other state in the U.S., a whopping \$19791. Compare this to Wyoming \$13143, New York \$12438, Massachusetts \$10,053, and California \$9,673. The overall U.S. average is \$8499(Information found online, Source: Tax Policy Center, dated 2014). Too date, I have not heard or seen any rationale which provides me current spending analysis and explains why we cannot cut those expenditures any further, the drumbeat we are continuing to hear from the Governor as well as out of Juneau. Until such analysis is made available to Alaskan residents, I will strongly oppose any taxation.

Secondly, the solution currently proposed in the house, HR 115, is totally unacceptable. Why is the only solution to balance the budget on the backs of year round Alaska residents with an income? This is a group that has shrunk in size over the last few years as living costs here have continued to accelerate. My husband and I are retired and you are proposing to impose an income tax on us of 15% of our federal return as well as 10% of our capital gains? Do you all realize how big a hit this is on the sizeable group of Alaska residents who are retired, who all live on fixed income? Will summer residents who make money up here have to pay these taxes, as well?

Why isn't a sales tax part of the proposal? Our population in the Copper River Basin is minuscule, because most people cannot afford to live here year round. Our population swells in summer, as people move in to vacation, summer, and work. A sales tax would capture additional revenues from this group, who I assume are not subject to the income and capital gains taxes. Why shouldn't they help pay for the costs of maintaining Alaska infrastructure? I will strongly oppose any budget solution which does not have a sales tax component.

Sincerely,

Meg Jensen
Copper Center, AK99573

To whom it may concern,

My wife and I are retirees living in Haines (after 36 years in Juneau) and contributing tens of thousands of dollars per year to the Haines and Juneau economies through real estate taxes, sales taxes, purchase of consumer goods and health care, etc., and requiring nothing from either community or the State for education, parks & rec, social welfare, etc. The best way the Alaska Legislature can drive us out of this state is by instituting an income tax based on federally taxed income (e.g., my social security, out-of-state investment income, etc.) rather than Alaska earned income. Whereas the latter would be very reasonable, sensible, and catch so many high-income nonresidents exploiting Alaska natural resources (such as oil field workers, miners, commercial fishermen, etc.), the former would be grossly unfair, especially to retirees. If such a federal-based tax is instituted, we will be gone before the tax forms can even be printed. And I am sure that we will not be the only retirees exiting immediately. The cost of living in Alaska as a retiree already is very high. We have no economic incentive to stay here. A grossly unfair income tax on retirement investments would be the cherry on the cake to make it unaffordable without question.

Sincerely,

Thomas A. Hanley
Haines, AK 99827