

# Alaska State Legislature



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## Senator Kevin Meyer Senate District M

### SPONSOR STATEMENT

#### **SJR 7: Constitutional Amendment Voter Approval for New Taxes**

This bill proposes an amendment to the Constitution of the State of Alaska regarding the power of taxation. If passed, the Division of Elections Director would place a question on the ballot that goes before the voters at the next general election. The question would amend Article IX, sec. 1 to require a majority of voters to approve any law establishing a tax, tax increase, or another revenue-producing measure.

There are a number of ways governments have weighed the opinion of its people on taxes. Many may be familiar with the Anchorage Municipality which uses an advisory vote on any tax increase. Or the proposition process that may alter or do away with a tax. In the state of Colorado, voters enshrined the Taxpayer's Bill of Rights (TABOR) into the state constitution in 1992. The premise was simple, if lawmakers want to raise taxes or issue debt, they should ask voters for permission.

It has been many years since the State of Alaska has levied an individual income tax on its citizens. There has been much discussion in this era of budget deficits on revenue generation by the implementation of and/or increase in taxes. The intention of this legislation is to explore the idea that before enacting a new tax, be it an individual income or statewide sales tax, it should be ratified by a vote of the people. Voters are being asked to approve budget timelines, spending caps, and per diem spending; it makes sense that we consult the people of Alaska on taxation.