

MUNICIPALITY OF ANCHORAGE



Office of the Mayor

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Mayor Dan Sullivan

April 2, 2013

The Honorable Gabrielle LeDoux, Co-Chair
The Honorable Benjamin Negeak, Co-Chair
House Community & Regional Affairs Committee
Alaska State Capitol
Juneau, Alaska 99801-1182

Dear Representative LeDoux & Representative Negeak,

The Municipality strongly supports passage of HB 193 which benefits municipalities in Alaska by promoting greater cooperation and reciprocal information sharing between State and local jurisdictions concerning administration and enforcement of commonly assessed, legally due taxes. The primary concept behind this legislation is consistent with joint information sharing practices cited in many other state statutes.

HB 193, if passed, will result in more efficient and effective oversight, enforcement and collection of taxes assessed by both the State of Alaska and municipalities (i.e., enforcement of tobacco tax and rental vehicle tax). Overall revenue realization by the State and municipalities is likely to be strengthened through shared results of discovery actions and audits. And more coordinated administration and enforcement of these commonly assessed taxes will serve to notably reduce tax evasion, thereby: (1) promoting a more competitive business environment for Alaskan businesses; and (2) decreasing the tax subsidization caused by willful tax evaders who otherwise shift tax burden to law abiding citizens.

In summary, HB 193 is sound legislation that encourages greater intergovernmental efficiency and effectiveness in fulfilling tax collections mandated by law at both the State and local level. This bill levels the playing field for law abiding businesses and citizens by helping to reduce the number of willful tax evaders not paying their fair share of legally due taxes. I encourage support of HB 193 and passage during this legislative session.

Sincerely,

Dan Sullivan
Mayor

Cc: House Community & Regional Affairs Committee Members