

2/16/2017

Dear Sirs:

I'll just make this short and sweet ....

1) I'm against changing anything of how our/ the "Peoples" Permanent Fund, is currently structured. Leave it Alone! Being that this Fund Belongs to the Alaskan People ... then If any changes are to Possibly be made ... then it absolutely needs to be put to a proper Vote of/by the People of Alaska! In my personal opinion, what Walker did recently, in his making of an executive action, thereby causing our last PFD to be slashed in half, was absolutely wrong, as we the People, Owners of That Fund, were cut out of that decision, which wasn't Walkers to make, on his own! So I see that, as a Raid and Stolen Funds, that Rightfully and absolutely, Belong to the People of Alaska! Shame on Mr. Walker and I just hope the Alaska Supreme Court over turns that ILLEGAL Wrong doing!!!

2) Also, we definitely don't need a State Income Tax, as we already pay our fair share through the Federal Income Tax ... so NO New Income taxes, Period! I don't have a problem with a fair Sales tax, however .... if it is applied evenly over the entire State of Alaska. I gather other township communities are currently paying a sales tax, with the exception of Anchorage. Ok. What needs to happen is, if Anchorage is to also be included here, then our City should be the same amount as is currently being added/charged elsewhere. If however, some parts of our State are paying various different amounts, then all our inclusive State needs to be amended, so that the entire State of Alaska, is paying the same amount, a fair figure to be determined and again, put to a proper vote of the people, for approval. Then only concern I have, is for the Bush communities, who are already paying far too much for the cost of living supplies, etc; and therefore, should in my opinion, be exempt from any approved State Sales added taxes. That's only fair, due to their higher rates of shipping.

3) You might want to think of this as a possible and partial solution, in helping to bring down Alaskas debt... there again, some needed sacrifices would agreeably need to be made, but Not on the backs of the poor, Seniors, etc! I propose therefore, that Everyone who works for the Government, State & Federal entities .... take a vote among themselves, to Voluntarily take a HALF-CUT in ALL their expensive, over the top - Salaries. These monies would then be placed in a special fund for the State of Alaska, to help pay down our current debt and also to pay toward various services that folks need. This makes absolute Perfect Sense!

4) I understand that recently, a couple new Oil Fields were discovered, that will eventually come on line and make more money for our State. Those Oil Companies are rich and can easily pay whatever fair tax the State of Alaska Needs to charge, for bringing this oil to market! I feel therefore, it's high time we quit letting them put Alaska over a barrel and get tough and institute a strong and fair tax that these oil companies absolutely need to pay, for finding oil in our State. And lets not think it small terms either. Again, I feel we definitely need input from our Alaskan citizens on this issue and see where we really are, here.

These are just a few of my personal opinions and I thought I would express them via e-mail. There could be other areas considered, thought upon, discussed, etc; where Alaska could

possibly generate new revenue for our State. Again, our Alaskan citizens absolutely need to be involved and have their various ideas brought forth, as possible solutions. Sometimes, money needs to be spent, in order to make new monies and generate new flows of income. But we All need to come together as Alaska Citizens .... And ... Let's see what Cooks!

Sincerely,

Pam Gerik/Anchorage

Please consider my reasoning for begging you not to vote in the Ak bill 115 income tax. I am a retired Veterinarian now living in Ak. My residency has been Ak for 16 years. I am very fortunate and get to pay 100 thousand dollars to the Fed income tax establishment. Last year I purchased a new boat , truck ,camper and various other Alaska purchases totaling more than 300 thousand dollars. I own my home on the Kenai River and share friendship with many friends that are retired. Please be assured we will not remain Ak residents. It's very easy to still enjoy the beauty and bounty of Ak and only live here during the good months. Most of the wealthy will leave. This will result in a huge deficit in income for the state. This isn't even a quick fix. It's never worked in other states , why could you possibly think it can work in Ak? The people most harmed by the income tax would be the small amount of middle class workers. Stop and think how few their are in Ak. Do not try to tackle this problem by trying to tax your way out. The wealthy will leave.

February 16, 2017

HB115

On principal, my wife & I very strongly disagree with the graduated income tax plan at the federal or state level as a way to pay for the expenses of government.

Many American, due to its inequality and unfairness, hate the graduated (or so-called "progressive") income tax. It has been the subject of intense debate at the national and state level.

We feel that the graduated income tax treats citizens unequally and is blatantly unfair, discriminatory and immoral. Immoral because taxes are private property (money) taken by the state through the use of force and used for other people's benefit. The taxpayer may not use most of the services he is forced to pay for. It would be immoral if I went to my neighbor's house and forced him to pay for my child's shoes. I would be branded a thief. This is exactly similar to what it done with much of government services.

This proposed state tax would give the burden of paying the majority of the state's expenses to only the wealthiest of its citizens and also to those who are not its citizens. The rest of Alaskans would pay little or none of this tax. The citizens who paid little or none of this tax may even use more government services than those who paid for it would.

Citizens who paid little or no tax would not work to keep government expenses under control because they wouldn't have to pay for it. They may even use government services more wastefully and freely because someone else is paying the bill. They could vote for more government services that they didn't have to pay for. It could be sort of like having all of your married kids living at home eating all of the food, leaving the lights on and having the furnace turned up high since they weren't paying the bill.

The national income tax used to be unconstitutional because it was a direct tax. Then the constitution was changed. When first introduced, the income tax was very low until it finally grew into the nightmare that it is today.

I like this quote from the departed philosopher, Robert Nozick: "Taxation of earnings from labor is on a par with forced labor".

Here an observation made by Frederic Bastiat, a 19th century French philosopher-economist: A man who produces while others dispose of his product is a slave. That's the essence of slavery: one person forcibly used to serve the purposes of others. See the following web link <http://www.jewishworldreview.com/cols/williams091599.asp>

Here is a statement from Walter Williams (Walter E. Williams is the John M. Olin Distinguished Professor of Economics at George Mason University): Plunder is when people forcibly take the property of another. It's legalized plunder when people use government to do the same thing. Or,

as Bastiat put it, "The state is the great fiction by which everybody tries to live at the expense of everyone else." See the following web link: <http://www.wnd.com/2001/07/9970/>

Alan Keys (2000 presidential candidate) described the income tax as a slave tax.  
See web link: [http://www.issues2000.org/Celeb/Alan\\_Keyes\\_Tax\\_Reform.htm#8](http://www.issues2000.org/Celeb/Alan_Keyes_Tax_Reform.htm#8)

The following is a quote from a scholarly work by Christopher Stuart Young called "Death of the 1040: Replacing the Federal Income Tax."

"As government increased its role in financing social programs, income taxes became heavier and heavier, and the inherent nature of our progressive income-tax system became apparent: it was a tool for forced redistribution of wealth by the state.

"Perhaps not many Americans today recognize redistribution of wealth by the state as a major goal of communism. Karl Marx and Friedrich Engels, authors of The Communist Manifesto in 1848, would be pleased to see that we have come to tolerate and even embrace one of their major tenets designed to facilitate the conversion of an 'advanced' free-market nation to communism.

"Tenet No.2 of The Communist Manifesto calls explicitly for 'a heavy progressive or graduated income tax.'

"Is it any wonder that we experience injustice and confusing complexity as we strive to adapt this communistic method of taxation, a progressive income tax, to what we uphold as sacred-a free society and a free economy that enjoys the creative and productive motivations of free enterprise?"

See these following 2 web links:

<https://nccs.net/1996-03-answers-to-americas-tax-problems>

Go to this web link for The Communist Manifesto and do a search for progressive or graduated income tax: [https://en.wikipedia.org/wiki/The\\_Communist\\_Manifesto](https://en.wikipedia.org/wiki/The_Communist_Manifesto)

Don't create a system of legalized plunder with an income tax to force some people to pay for other people's consumption of government services.

We can do better in cutting spending than what has been done. We must do this because it is the right and moral thing to do.

Taxation is a moral issue because it involves the use of force (by government) upon people who have not threatened or harmed other people.

Passing an income tax would be wrong and immoral for some of the reasons we have listed above. It matters not that other states and the federal government have an income tax. Being in the majority does not make the majority right. Not all laws are right nor necessarily moral just because they are legal. Slavery used to be legal in our national past.

We would not be against a flat sales tax or consumption tax. There is more freedom to choose when you choose to pay the tax with a purchase. With a sales tax, everyone is involved in paying for the bills of the state, not just half of the people like under an income tax. There is more frugality in government spending because citizens are less likely to vote for a politician who promises a chicken in every pot that the other guy has to pay for.

You could exempt a sales tax from the basic necessities of life to protect the poor. This could include food, medicine, clothing, housing, etc.

We respectfully ask you to please vote no on any income tax proposal.

Thank you for your time and efforts.

Lawrence D. Meshkin  
Marie H. Meshkin  
Wasilla, AK 99623-4945

I favored an income tax that would capture some revenue from transient workers as well as higher income recipients. However, I have changed my mind.

I think a sales tax would be a more equitable solution with a few exceptions. There should not be a tax on medical and veterinarian services, prescription drugs of any kind and on food purchased in a grocery store. There should also be a limit on any given large purchase, like a vehicle.

We already pay a local sales tax of 3% on everything including groceries and veterinarian services. We recently had to have one of our animals euthanized and in addition to the veterinarian's services we paid \$28 in sales taxes. This seems criminal to me. For us a state sales tax would be a substantial increase. This should be addressed as well.

FYI - My husband and I have lived in this state for a combined 104 years. We were here when the state had an income tax and it was unfortunately repealed instead of suspended.

Christel Petty

Just because the state of alaska is seriously inefficient doesn't mean that u can steal the pfd I think that most politicians should jailed ,clean up your act.

Matt Romens



I feel very strongly that little is being done to really cut the budget, much more has to be done there before I will support the PFD cuts or an Income Tax. There is no real cuts being done and that needs to happen first, there is still way to much "special interest" issues and dead weight in the budget.

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DawnRae Dufford

Anchorage, AK 99504

I live in a area where there is mostly summer jobs and NEED my PFD to buy firewood. I 'm almost out of firewood .

Lori Ansbro

Dear Sirs,

If the budget itself were not so generous as twice the average budget in any of the other 49 states we would not be in such a predicament. I recommend putting the entire PFD in the general fund, laying off 15% of "all" state employees, cutting benefits by 20%, cutting wages by 20%, have all employees turn over current and future frequent flyer miles. Have the Wildlife Troopers suspend all helicopter and fixed wing use just to simply check hunt and fish licenses, this can be done on the road, at airports or on docks. Sell the big beautiful Fish and Game boats eliminating the expense of crew and upkeep, use a charter when needed. Punishing the workers and achievers with an income tax while rewarding non producers with continued payment of the PFD does not make sense.

Joe Holden

Petersburg, Ak 99833

Attn: Alaska State Representatives and Senators

As your constituent, I vote NO on HB115. NO STATE INCOME TAX!

How is it fair? "Those who are least able to pay" who are hit the "hardest" are the tax payers, working class who are required again and again to pay for federal and state programs. We are in a bust economy. Let it contract. Stop subsidizing "social unsustainable welfare."

Respectfully,

Christine Dordan, Eagle River, Alaska

Elected officials,

Please look at the report made by Alaska Policy forums. This report was generated by over 70 groups of Alaskans. There are still many cuts that have not be considered that are lined out in this report.

Also I am a life long Alaskan that has helped build Alaska and an income tax is the wrong approach. I would recommend a sales tax that exempts food and medicine. If a sales tax exempts food and medicine it will not hurt lower income people. My father is also lived here quite a while to help support and build the Airline industry in Alaska and a flight pioneer and agrees that a sales tax would be the best approach including spending cuts.

I had considered taking a higher paying job but will stay where I am at because of the proposed income taxes. Since many of the politicians are salivating at the idea of having an income tax on the most productive people I decided to forgo a couple of higher paying jobs to support less productive people. I am guessing that there are other skilled and bright people that will put off taking better paying jobs because of the income taxes. This reminds me of the Ayn Rand book "Atlas Shrugged". The people that did nothing (moochers) wanted the productive people to support them and its scary to see it happening in real life and not a book.

Thank you,

Steve Kaleta, PE, MEngr  
House District 21 and Senate District K  
Anchorage, Ak 99502

-----Comments of Harold Heinze on HB 115-----

Can we please get some clarity on the interaction of some key provisions of HB 115.

ALL Alaskans will receive an EQUAL dividend from the Permanent Fund as their EQUAL share of the State's oil royalty revenue.

SOME Alaskans will pay the government a tax that represents a share of their individual earnings -- SOME will pay little and SOME will pay a lot.

Sounds like wealth redistribution to me and I wonder if that wealth redistribution has become the purpose and focus of this budget plan. Is that a legitimate purpose of the Alaskan government?? Is that what Alaskan's want??

We've had a State personal income tax before (but before the Permanent Fund) and we have a Permanent Fund paying an equal dividend to all (but after the State personal income tax was eliminated). Having both is new ground for Alaska -- do we want to start down the slippery slope of "government" taking from some to give to others??

Harold Heinze  
Anchorage resident

Dear Representative Seaton:

On the Eve of the Public Testimony before the House Finance Committee, I wanted to thank you in writing for the hard work you have done on the behalf of your constituents and all Alaskans. The People of this State are looking to its Legislature to make the intelligent decisions needed to guide our State forward.

You have proposed a plan to address the budget deficit that will reduce the PFD, place a tax on top of our Federal income tax, and provide more money by taxing long-term capital gains. This is one way to address the situation. And it must have been a very difficult decision to tax your fellow Alaskans.

There are those among us who have looked at the same numbers you have, and have come up with a different solution to balancing the Budget.

We believe that government spending grew in proportion to the Revenue it received from the Oil Industry, and that growth far exceeded what was and is necessary for the needs of our population. And now that that revenue has “tanked”, there is understandably much concern about what to do about the budget shortfall.

Since we have about 12 Billion in Reserve, there is no need to panic or jump to a quick fix. We have an additional stream of income from the Permanent Fund which has yet to be tapped, which is half of the annual payout for the PF Dividend. That stream, combined with other Revenues, and the judicious use of Earning Reserve Funds, can balance the Budget in a series of steps accompanied by appropriate reductions in spending.

This plan requires no new taxes, nor additional revenue, other than that half of the earnings of the Permanent Fund, which is available for just such a time as this.

The importance of this Plan, which requires no new taxes, cannot be underestimated. It will not burden the citizens of this State with new taxes for years to come, and it will not eliminate the PFD, or any portion thereof, from every household and citizen of this State.

The Permanent Fund Dividend provides much needed income for many, especially in our rural areas, and is enjoyed by many who are not in dire need, as well. I see no need to take hasty measures, as the Governor has done, in vetoing half the Dividend. It is money that our state needs to keep in circulation, especially when an economy in recession needs that capital. Taxation will have the opposite result.

Therefore, I ask you to consider the Citizens of this State, first. Young and old, rich and poor, friends and neighbors, all of us benefiting from a Budget Plan that does not include taxation at all! It can be done, and should be done. The future of Alaska is at stake. And that future will be all the brighter without the burden of taxation which now looms unnecessarily over all of us.

Will you not then reconsider what this means to the future of all Alaskans ? I can ask no more.

Andrew W. Brewer



No to income tax! Not until all Alaskan property owners, including villages have some "skin" in the game. We all use state services, including schools, fire, game management, law enforcement. Start with a statewide property tax

Jim Mallery

**I am not in favor of the income tax portion of HB 115 as it currently stands.**

**In particular, I'm opposed to** being taxed 3x on LT capital gains [once by IRS, 2nd by AK tax being 15 % of IRS tax, and 3rd by AK additional tax of  $\leq 10\%$  on LT capital gains]

I'm in favor of minimum tax of \$ 25 on everyone but not if this minimum is only for those who pay federal income taxes [I want all of us to have skin in the game]. So, I want the \$ 25 to be a head tax.

I would be in favor of an Income tax that is simplify a flat % of federal tax especially if that rate were 10 %.

I am in favor of restructuring of PF earnings with PFD  $\sim < \$ 1000$

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Ron Johnson  
Professor Emeritus  
Mechanical and Environmental Engineering  
Univ of Alaska Fairbanks

House Finance Committee,

I am writing this email to serve as my written opposition to House Bill 115. I am firmly against any income tax being instituted before additional cuts and the pfd is removed. No tax should be implemented until these changes are made

It makes no sense to punish hard working Alaskans in a way that subsidizes the state. This is not a solution; it is a redistribution of wealth. I love Alaska and want to spend my life here, but it will be difficult if I'm having to pay an income tax to live here. Please do not go down this path. There are many ways we can get our spending under control such as deeper cuts into spending and removing the rest of the dividend or a sales tax.

Please consider my written testimony.

Respectfully,

Zachary Korsmo

I'm writing to share my opposition to a state income tax and SAVE our PFD!

The fair thing, if we must bring in revenue is a sales tax. That way everyone pays, including tourists who come to enjoy our beautiful state.

Sincerely,  
Julie Korsmo

Dear Legislators,

I wish to express my objection to HB 115 calling for a progressive income tax. It seems to me that creating an income tax department in the government requires hiring a significant number of people to design, create, mail, and receive the tax forms. There must also be people hired to enforce the tax, a fraud division, and an appeals division.

I would much prefer a general state tax, perhaps excluding tax on food, because it seems to me this would be a far smaller bureaucracy and also tax tourists who expect there to be a sale tax.

Thanks you for your work for the State.

Pam Flowers

Talkeetna, AK

Pam Flowers

Talkeetna, AK 99676

I am strongly against house bill 115 with any taxes be paid by the Alaskans, with that being said. i would like to say a state sales tax would be better than a 15% what you owe IRS, I have 5 Kids and

8 Grand Kids all living in Alaska I am retired State Employee and I have to help my children because

it is so expensive up here. I have lived here since oct 28 1981 when i arrived in Anchorage International.

if you enact that 15% tax i will have to cut back on my spending and helping my children stay here.

I do not do a lot of write off's my federal Taxes only my house and a few donation.

With this tax i will not be able to help any and will cut way back on my spending.

I have finally reached the age of 65 which i now am entitled to pay for medicare ins which i do not need

be cause i have double coverage but am force to buying. i am suppose to get the tax write office 150,000 for my house

at 66 and with your tax i will owe more than what i save. this 15% tax will make me move out of state to live at a cheaper cost.

With a sales tax no matter how many write offs a person has he will still pay his fair share. If he has money he will buy stuff and pay

the sales tax. if he doesn't he only pays what he can afford. This will also reach out to people that lives some where else and works here and

the tourist that come and visit.

again this is the fair way not just the select few that can't hire a tax guy to not pay their fair share to IRS.

Again i say drop the 15% tax and go with across the board sales tax. you will get more people.

If you pass HB115 this i will bet come one year later you will come back and say we are not making any money, then you will have a lot of people upset.

I could suggest cutting back on Aides for the house and legislature cut back on traveling, cut back on per diem, cut back on

extra stuff. i could go on and on what could be saved. but again a SALES TAX is the most fair way not the 15% tax.

Thank You

Daniel Martin  
Fairbanks AK 99707

Being a single senior, on a fixed low income, my life is tough enough with the PFD. PFD helps with heating oil and high power bills in winter, and maybe a new winter coat. Everyone I know needs their PFD, we will not vote for anyone who steals our PFD, and we all vote every opportunity. Hands off our PFD.

Judy Olson  
Sutton, Alaska 99674

Hello All,

Last year I listened at the Wasilla LIO to the governor's office pitch the income tax. Part of that presentation included the announcement that in order to implement the income tax, something like 65 new state jobs would need to be created. In order to pay for those employees, the state would have to bring extra revenue in. The speaker stated that the same net gain could be made by taking an additional \$70. out of each dividend.

The immediate cost to Alaskans will be much greater than \$70 each if you implement an income tax.

The long term cost to Alaska will be reduction of the incentive to work in Alaska.

Looking at these two options and thinking about them in a practical sense, the income tax makes no sense. If a person was making a household finance decision here or a business owner was weighing these two options, it would take them very little time to rule out the income tax option. In order to realize the same net gain, our legislature should be seeking solutions that cost less.

People who are claimed to support the income tax are not being told that in order to implement it, the cost to Alaskans will be so much higher than taking a bit more out of the PFD. That wasn't made clear by the poll the Republicans sent out on the budget, and I have not heard that information spread to the public by anyone lobbying for an income tax.

Please be a practical legislator and stop digging deeper holes.

Michelle Latham



Every Alaskan has to manage their spending.

The state government needs to manage its spending too.

Do NOT PASS HB 115.

Cut State Spending first.

Beth Wright  
Wasilla, Alaska

To ALL Concerned:

I am absolutely opposed to the State of Alaska using ANY of the Permanent Fund Dividends slated for the Citizens of this State to balance the budget or reduce the deficit.

I am absolutely opposed to ANY type of income tax or any type of state wide sales tax.

You are REQUIRED to balance the budget by cutting expenses and reducing costs, not increasing the income that the government receives by taking what is not rightfully yours to take. Your constituents are watching closely.

Again, I am absolutely opposed to any type of Income or Sales Tax and am absolutely opposed to the State government using any portions of the Permanent Fund Dividend to supplement the income of this state.

Summary – BALANCE THE BUDGET WITHOUT TAXING THE PEOPLE OF THIS STATE ANY FURTHER.

Regards,

D. Alan Cruce  
Palmer, Alaska

