Chair Sumner and Distinguished Members of the House Labor and Commerce Committee,

I strongly urge your support of HB 119. This is a responsible change in tax policy that will benefit all Alaskans and ensure that our homegrown Alaskan industry is positioned to survive and thrive in the years to come.

Alaska GreenWorks is a limited cultivation. We have been greatly affected by the changing market over the years. As the prices stand currently, state taxes are absorbing almost 50% of the total sales compared to when we first started and they were approximately 20% of total sales. A reduction in taxes will certainly help us as a limited cultivation as we do not produce a large amount of product that can sustain the current tax structure.

We are in support of HB 119 with regards to passing the state tax onto the end-consumer to alleviate the tax burden being placed on the cultivators, as modeled by the alcohol industry.

We have enjoyed working within this industry and watching it grow for more than five years, but as it stands now, from a business standpoint, we are not certain of our future with the current tax burden and prices continually falling.

Thank you for your time regarding this matter,

Shawn Clark Owner/Manager

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Shawn Clark