

SJR

33

FISCAL NOTE

**STATE OF ALASKA
2002 LEGISLATIVE SESSION**

Fiscal Note Number: _____
 Bill Version: SJR 33
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: OOG
 Title Constitutional amendment relating BRU Elections
to limiting state income, sales and use taxes Component Elections
 Sponsor Senator Austerman
 Requester Senate Judiciary Component No. 21

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services						
Travel						
Contractual	1.5					
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	1.5	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	1.5					
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	1.5	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2002) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This figure includes the cost of providing information about this issue in the Official Election Pamphlet, as required by AS 15.58. If this measure requires the printing of an 8-1/2 by 18 inch ballot, the cost will increase by \$22.0.

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 Division: Division of Elections
 Approved by: Lieutenant Governor Fran Ulmer
 Agency: Office of the Lieutenant Governor

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 Date/Time 3/14/02 2:07 PM
 Date 03/14/2002



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Alaska State Legislature

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Sponsor Statement—SJR 33

“Proposing an amendment to the Constitution of the State of Alaska relating to limiting the rate of state income and sales and use tax”

I have introduced a constitutional amendment to limit the amount of any new sales or income tax to no more than five percent, to meet the concern of implementing new taxes with no thought of restraining the growth of said taxes.

Alaskans need to feel secure that any new tax proposals will not grow unreasonably. My proposed constitutional amendment meets this concern. The idea of a statewide tax cap is similar to the approach taken by the Municipality of Anchorage in limiting the amount of property taxes that can be collected each year. This charter amendment has effectively constrained the municipal spending and protected municipal property owners. The municipal tax cap also maintains the relationship between economic growth and the ability of the municipality to pay for the demand for schools, roads, and police that accompanies economic development.

Some in the legislature have proposed a constitutional spending cap which would arbitrarily set a two or four percent limit on the growth of state services from year to year. While this approach has some appeal, it does nothing to meet the real concern about the growth of taxes. Under a spending cap, there is no limit to the amount of an income or sales tax. A cap on spending might mean that we have deteriorating schools but still pay high taxes. More importantly, it is impossible to sit here in 2002 and predict accurately the exact amount of schools, roads, or police we will need thirty or forty years into the future.

DISTRICT C

Kodiak Archipelago • Southeast Islands