

PETERSBURG BOROUGH
ORDINANCE #2026-16

AN ORDINANCE AMENDING THE PETERSBURG MUNICIPAL CODE TO PROVIDE A
SENIOR SALES TAX EXEMPTION TO QUALIFIED RESIDENTS OF THE BOROUGH 70
YEARS OF AGE OR OLDER

(Submitted to the Assembly by the Borough Clerk under PMC 2.44.080, Assembly Action on Initiative)

Whereas, a citizen's initiative petition to amend the Petersburg Municipal Code (PMC), to provide a senior sales tax exemption to qualified residents of the Borough 70 years of age or older, was filed with the Borough on July 2, 2026, and thereafter certified by the Borough Clerk on July 7, 2026 under PMC section 2.44.050 as proper in form and sufficient with 356 verified Borough voter signatures; and

Whereas, as the petition was filed and certified more than 90 days before the date of the next regular election on October 6, 2026, it can be placed on the ballot for that election;

Whereas, as required under Borough Code section 2.44.090A, the Borough Clerk is presenting to the Petersburg Borough Assembly the ordinance to be enacted; and

Whereas, under PMC 2.44.080, the Assembly has the opportunity to adopt substantially the same measure, in which case the initiative petition is void and the matter initiated is not placed on the ballot, however voter ratification of this ordinance would still be required under Borough Charter section 12.02B. If this ordinance is not adopted, the matter initiated will be placed before the voters.

Therefore, the Petersburg Borough Ordains, as follows:

Section 1. Classification: This ordinance is of a permanent nature if approved by the voters and shall be codified in the Petersburg Borough Code.

Section 2. Purpose: The purpose of this ordinance is to provide a Senior Sales Tax Exemption to qualified residents of the Petersburg Borough that are 70 years of age or older. This does not affect or change the current Low-Income Senior Sales Tax Exemption.

Section 3. Substantive Provisions:

A. Amendment: Section 4.28.130 of the Petersburg Municipal Code, entitled *Senior Citizen Exemption*, is hereby amended as follows. All language proposed for addition is in **bold and underlined** and the language proposed for deletion is in [brackets] and ~~struck through~~.

4.28.130. Senior Citizen Exemption. A sale to a qualified Senior citizen is exempt from the Borough sales tax in accordance with the provisions of this section.

A. For the purpose of this section **a qualified Senior citizen is a person who has obtained and maintained a senior citizen exemption card under paragraph (1) or (2) below:**

1. ~~[A qualified senior citizen is a person who has obtained and maintained a senior citizen tax exemption card.]~~ A person is eligible to receive a Senior Sales Tax Exemption Card if the person (i) is 65 years of age and older, (ii) has their permanent place of abode within the Petersburg Borough, (iii) has resided within the Petersburg Borough for at least one year immediately preceding the date of application and intends to remain in the Petersburg Borough indefinitely and to make a home in the Petersburg Borough, (iv) was physically present in the Borough a minimum of 185 days in the 12-month period immediately

preceding the date of application, and (v) meets the eligibility requirements for the State of Alaska Senior Benefits Payment Program, as set out in Alaska Statute 47.45.301 - 47.45.309 and 7 AAC Chapter 47, Article 3. If the State of Alaska discontinues the Senior Benefits Payment Program, the Assembly shall, by resolution, establish alternative low income eligibility requirements. A person demonstrates residency under this subsection by maintaining a principal place of abode in the borough, by maintaining a valid driver's license or valid voter registration card with a residence within the borough, or by providing other proof of residency within the borough boundaries acceptable to the finance director, including demonstrating eligibility for a permanent fund dividend under AS 43.23.005 at a residence within the borough. A person demonstrates eligibility under paragraph (v) above by presenting to the borough the program eligibility notification received from the State of Alaska, or other documents deemed acceptable by Assembly resolution.

2. A person is eligible to receive a Senior Sales Tax Exemption Card if the person (i) is 70 years of age or older, (ii) maintains his or her permanent place of residence within the Petersburg Borough, (iii) has resided within the Petersburg Borough for at least one year immediately preceding the date of application and intends to remain in the Petersburg Borough indefinitely and to make a home in the Petersburg Borough, (iv) was physically present in the Borough a minimum of 185 days in the previous 12-month period, and (v) has met the qualifications of the Alaska Permanent Dividend Fund for the immediately preceding calendar year. A person demonstrates permanent residency in the Petersburg Borough by maintaining a valid Alaska Driver's License or Alaska Identification Card, or a valid Alaska voter registration card, with a street address within the Borough boundaries acceptable to the Finance Director or the Director's designee, as well as proof of eligibility for the Alaska Permanent Fund Dividend.

A one-time, non-refundable application fee of \$50.00 shall be collected by the Finance Director or the Director's designee from those applying for a Senior Sales Tax Exemption Card under this paragraph. Once an application is approved, the card remains valid for the lifetime of the Senior, and the Senior shall not be required to file an application for subsequent years, as long as the Senior continues to meet the requirements of (ii) through (v) above, however the Director may require additional information or documents, at the Director's discretion, to verify continued eligibility. If the Senior no longer meets the requirements of this paragraph, then he or she must surrender their card to the Finance Director or the Director's designee.

3 [2]. A qualified Senior citizen with a Senior Sales Tax Exemption Card entitles the Senior citizen card holder to be exempted from Borough sales tax subject to the limitations in the balance of this section.

4 [3]. It is the responsibility of the Senior citizen to present his or her Senior Sales Tax Exemption Card to the local merchant prior to each exempt sale being finalized. It is the responsibility of the merchant to keep a record of all Senior citizen tax exempt sales.

[There are no changes to sections B through F]

Section 4. Submittal to Voters:

- A. In accordance with subsection 12.02B of the Borough Charter, the Borough Clerk shall submit this ordinance to the voters of the borough at the next regular election to be held on October 6, 2026.**
- B. The proposition to be submitted to the voters shall read substantially as follows:**
Proposition # _____

Shall Section 4.28.130, *Senior Citizen Exemption*, of the Borough Code be amended to provide a Senior Sales Tax Exemption to qualified residents of the Petersburg Borough 70 years of age or older. This would not affect or change the current Low-Income Senior Sales Tax Exemption.

() YES

() NO

A "YES" vote would add a provision to the borough code providing for a senior sales tax exemption to residents of the Borough 70 years of age or older meeting the residency eligibility requirements.

A "NO" vote would maintain the current limitation of the senior sales tax exemption to low-income residents of the Borough 65 years of age or older meeting the residency eligibility requirements.

Section 5. Classification and Severability: This ordinance is of a permanent nature if approved by the voters and shall be codified in the Petersburg Borough Code. If any provision of this ordinance or any application to any person or circumstance is held invalid, the remainder of the ordinance and application to any person and circumstances shall not be affected.

Section 6. Effective Date: This ordinance, if approved by the voters, shall become effective November 1, 2026.

Passed and approved by the Petersburg Borough Assembly, Petersburg, Alaska this 17th day of August, 2026.

Robert Lynn, Mayor

ATTEST:

Rebecca Regula, Clerk

Approval:
Published:
Effective: Upon Voter
Approval and Certification
of Election Results