

**PETERSBURG BOROUGH  
ORDINANCE #2024-11**

**AN ORDINANCE PROPOSING AN AMENDMENT TO THE HOME RULE CHARTER  
OF THE PETERSBURG BOROUGH TO REMOVE THE REQUIREMENT OF VOTER  
RATIFICATION OF CHANGES TO SALES TAX EXEMPTIONS, AND DIRECTING  
THAT THE PROPOSED AMENDMENT BE SUBMITTED TO THE QUALIFIED  
VOTERS OF THE BOROUGH**

**WHEREAS**, section 12.02B of the Borough Charter mandates that any change in a sales tax exemption be ratified by borough voters; and

**WHEREAS**, this requirement was adopted into the Charter of the then-City of Petersburg in 1981 and carried over into the Borough Charter upon borough formation; and

**WHEREAS**, the Borough is aware of no other municipality in Alaska that requires voter approval to change sales tax exemptions; and

**WHEREAS**, this voter approval requirement limits the flexibility and timeliness of the Borough Assembly in budgetary matters, especially during times of unknown state revenues; and

**WHEREAS**, this amendment will not negate the requirement of voter ratification of any change in the rate of the sales tax; and

**WHEREAS**, Petersburg Borough Charter Chapter 18, entitled Charter Amendment, section 18.02 *Election*, specifies that any proposed charter amendment shall be submitted to the qualified voters of the Borough.

**THEREFORE, THE PETERSBURG BOROUGH ORDAINS**, that the following proposed amendment to the Home Rule Charter of the Petersburg Borough be submitted to the qualified voters of the Borough at the October 1, 2024 regular election.

**Section 1. Classification:** This is a non-code ordinance, however the proposed borough charter amendment is of a permanent nature and, if approved by the voters, shall be reflected in the Petersburg Borough Charter.

**Section 2. Purpose:** The purpose of this ordinance is to propose a charter amendment to the Borough voters that would remove the requirement of voter ratification of changes to sales tax exemptions.

**Section 3. Substantive Provisions:**

Proposed Charter Amendment – Section 12.02B of the Charter: The language proposed for deletion is struck through.

**Article 12. Taxation**

**Section 12.02 - Sales and Use Taxes; Ratification of Sales or Use Tax Rate Increases.**

A. The borough may by ordinance levy sales or use taxes on an areawide basis, a non areawide basis and a service area basis.

B. Any sales or use tax, or change in the rate ~~or exemptions~~ to the sales tax or use tax, shall be by ordinance, ratified by a majority of the qualified voters of the borough voting on the question.

**Section 4. Submittal to Voters:**

A. In accordance with subsection 12.02B of the Borough Charter, the Borough Clerk shall submit this proposed charter amendment to the voters of the Borough at the regular election to be held on October 1, 2024.

B. The proposition to be submitted to the voters shall read substantially as follows:

Proposition #\_\_\_\_

Removing the Requirement of Voter Ratification of Changes to Sales Tax Exemptions

Shall Section 12.02B of the Petersburg Borough Charter be amended to remove the requirement that changes to sales tax exemptions be submitted to borough voters for ratification?

- YES
- NO

Sales tax exemptions are set out in Borough Code Chapter 4.28, *Sales Tax*. If this proposition is approved by Borough voters, the Borough Assembly can, by Ordinance, with three readings and a noticed public hearing, make changes to sales tax exemptions with a majority vote of the Assembly.

**Section 5. Severability:** If any provision of this ordinance or any application to any person or circumstance is held invalid, the remainder of this ordinance and application to any person and circumstance shall not be affected.

**Section 6. Effective Date:** This ordinance shall be effective upon adoption. The proposed borough charter amendment set forth herein, if approved by the voters, shall become effective immediately upon certification of the election results.

**PASSED AND APPROVED** by the Petersburg Borough Assembly, Petersburg, Alaska this \_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
Mark Jensen, Mayor

ATTEST:

\_\_\_\_\_  
Debra K. Thompson, Borough Clerk

Adopted:  
Published:  
Effective: Ordinance effective upon adoption. Charter Amendment effective upon Voter Approval and Certification of Election Results.