

Sales Tax Modifications Proposed by Member Zaletel New Division of Percentages – See Spreadsheets Attached

Rationale:

- Not able to limit the overall tax relief per parcel – per legal
- 50% or less dedicated to property tax relief is still substantial and calculated after any tax exemptions applied
- Similarly, there is still substantial 7 year total for dedicated Capital Projects
 - 269-359M @ 154M estimated tax collected
 - 315-419M @180M estimated tax collected
- Puts more toward dedicated MOA services or broad-based services that benefit more residents
- No Tax Cap on Purchases – if we can't cap relief, we should not cap tax due

Tax Exemption for Resident Households making 80% AMI or less:

Allowing a tax exemption for those households 80% AMI and less would reduce the regressivity.

U.S. DEPARTMENT OF HUD
STATE:ALASKA

| PROGRAM | 2024 ADJUSTED HOME INCOME LIMITS | | | | | | | |
|---|----------------------------------|----------|----------|----------|----------|----------|----------|----------|
| | 1 PERSON | 2 PERSON | 3 PERSON | 4 PERSON | 5 PERSON | 6 PERSON | 7 PERSON | 8 PERSON |
| Anchorage, AK HUD Metro FMR Area | | | | | | | | |
| 30% LIMITS | 25450 | 29100 | 32750 | 36350 | 39300 | 42200 | 45100 | 48000 |
| VERY LOW INCOME | 42400 | 48450 | 54500 | 60550 | 65400 | 70250 | 75100 | 79950 |
| 60% LIMITS | 50880 | 58140 | 65400 | 72660 | 78480 | 84300 | 90120 | 95940 |
| LOW INCOME | 67850 | 77550 | 87250 | 96900 | 104700 | 112450 | 120200 | 127950 |

The AMI is the midpoint of a specific area's income distribution, calculated annually by the Department of Housing and Urban Development (HUD). HUD refers to the figure as the median family income (MFI), based on a four-person household.

Difference from Poverty Rate:

The poverty level in Anchorage, Alaska is a little less than 8.8%, which is about 80% of the state's poverty rate of 10.4%.

The federal poverty level (FPL) for 2024 in Alaska is:

- **1 person:** \$18,810
- **2 people:** \$25,540
- **3 people:** \$32,270

Universal Municipal Benefits Application Process Required in Ballot Initiative:

Further pairing it with the establishment of a required Universal Municipal Benefits Application process provides incentive for residents to apply, but that the MOA also screens those applications for eligibility for any other MOA Benefit the applicant household may be eligible for and offers those services proactively to eligible residents.

- Could include childcare assistance, reduce bus passes, etc.