

**CITY OF CORDOVA, ALASKA
ORDINANCE 1179**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CORDOVA, ALASKA,
AMENDING CORDOVA MUNICIPAL CODE SECTION 5.40.010 TO IMPOSE
SEASONAL SALES TAX RATES OF FIVE PERCENT IN WINTER AND EIGHT
PERCENT IN SUMMER OF EACH YEAR**

WHEREAS, the City of Cordova, Alaska (“City”) is currently facing financial challenges and budgeting concerns; and

WHEREAS, it is in the City’s best interest to generate revenue to support the many valuable entities that citizens have urged the City to support such as the Cordova Community Medical Center Authority, the Cordova Public School District, the Cordova Family Resource Center, the Cordova Chamber of Commerce, the Ski Hill, Prince William Sound College and others; and

WHEREAS, it is in the City’s best interest to generate revenue to support the valuable services the City provides its citizens, residents, and visitors; and

WHEREAS, the implementation of a split sales tax with different rates in winter and summer will garner revenues from the seasonal influx of people to Cordova for participation in the fishing industry and for those coming to Cordova as a tourist destination; and

WHEREAS, adjustments to sales tax as a revenue source ensures that local, year-round Cordova residents would not be required to bear the burden of increased property taxes as the sole source to meet budget shortfalls.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Cordova, Alaska that:

Section 1. Cordova Municipal Code Section 5.40.010 is amended to read as follows:

5.40.010 – Levied.

There is levied on all sales equal to or more than twenty cents, services provided, and rents collected within the city, except sales, services, and rents that are exempt from taxation under this chapter, ~~a tax equal to six percent of the sale price~~ **a tax as set forth in this section. From April 1 through September 30, a tax is levied equal to eight percent of the sale price, charge for services, or rents collected. From January 1 through March 31, and from October 1 through December 31, a tax is levied equal to five percent of the sale price, charge for services, or rents collected.**

[Deleted text is ~~stricken through~~; added text is **bold and underlined**]

Section 2. This ordinance shall be effective thirty (30) days after its passage and publication. This ordinance shall be enacted in accordance with Section 2.13 of the Charter of the City of Cordova, Alaska, and published within ten (10) days after its passage.

1st reading: November 20, 2019

2nd reading and public hearing: December 4, 2019

2nd reading and public hearing: December 18, 2019

PASSED AND APPROVED THIS ___ DAY OF _____ 20__.

Clay R. Koplín, Mayor

ATTEST:

Susan Bourgeois, CMC, City Clerk

FAILED