



CITY OF WASILLA

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COUNCIL MEMORANDUM NO. 90-89

FROM: Mayor Stein

DATE: December 17, 1990

RE: Veto Message - Resolution 90-40

I hereby veto Resolution 90-40 which would place the levy of a 2% sales tax on the ballot March 23, 1991.

No tax is popular and no tax is completely fair, so a radical change in the taxation policy of a community requires a well-considered decision by community leaders. The impact of a new tax and the reduction of property taxes need to be fully understood by those proposing the changes. That understanding must come before an issue is moved to the voters.

In the case of the proposed Wasilla sales tax I had urged the Council to consider the measure more fully and take action in January. This veto accomplishes those purposes. While I expect no Council votes to change, I do expect that news of the issue will generate more balanced constituencies. Those interest groups will better argue the merits of their positions.

Those opposed to a sales tax have clearly identified themselves. They include many retail business owners, many individuals who live outside the City and many who oppose government and taxes at any level.

Those favoring the tax are property owners who have long carried the entire burden for local revenue. What is missing from the sales tax equation are those who favor the public facilities and services that a sales tax can make possible.

Wasilla residents will alone decide this issue. Those who seek community services and public construction must come forward now and support this new source of revenue.

Wasilla is years behind in road paving, utility extensions, street lighting, sidewalks, trail development and other fundamental needs of a growing community. If the sales tax becomes a reality, it will be because Wasilla households recognize these needs and make their wishes known.

If the effort to raise new revenue fails, there will be an easy retort to the criticism about the burden on our property tax payers and humble condition of our public facilities.

The Council may consider this veto at their regular meeting January 14, 1991.

Veto overturned 1/14/91

John C. Stein, Mayor