

Introduced by: Glick
Date: 6/15/93
Action: Adopted
Vote: Unanimous

**KENAI PENINSULA BOROUGH
RESOLUTION 93-64**

**A RESOLUTION SUPPORTING EXEMPTION OF BOROUGHES, COUNTIES,
STATES AND LOCAL GOVERNMENTS FROM THE PROPOSED ENERGY TAX**

WHEREAS, the National Association of Counties (NACo) has been a strong advocate for, and participant in, intergovernmental partnerships with federal, state and municipal governments; and

WHEREAS, President Clinton has proposed an energy tax based on BTU's, which would be paid by most consumers including counties, states, cities and other local governments; and

WHEREAS, the tax would be phased in over a three year period and would be fully in effect in 1997; and

WHEREAS, it is estimated by the Joint Congressional Committee on Taxation that approximately 13 percent of the revenues from the tax would come from state and local governments which is estimated to amount to \$3 billion a year when fully implemented; and

WHEREAS, the cost of this tax will result in the need for other local governments to increase property taxes, sales taxes and service fees or to reduce local services to its citizens; and

WHEREAS, this would result in double taxation of citizens in order to raise the revenue projected in the Energy Tax proposal; and

WHEREAS, the burden on boroughs, counties, cities and states is particularly onerous at this time when most of these governments are still experiencing the adverse effects of the recession; and

WHEREAS, many exemptions have already been granted to such industries as aluminum, trucking, farming, coal and steel and more are expected;

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

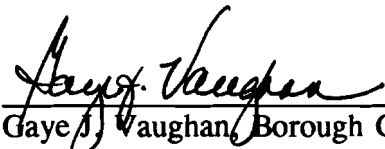
SECTION 1. That the Kenai Peninsula Borough supports NACo as it urges Congress to respect the traditional standards of reciprocal tax immunity between federal, state and local levels of government; and

SECTION 2. That Congress should exempt states, boroughs, counties, and other local governments from having to pay this tax, and, as it continues to seek ways to reduce our National Debt, to better define who has the full burden of such taxes.

ADOPTED BY THE KENAI PENINSULA BOROUGH ASSEMBLY THIS 15th DAY OF JUNE, 1993.


Betty J. Glick, Assembly President

ATTEST:


Gaye J. Vaughan, Borough Clerk