

ANCHORAGE SCHOOL DISTRICT
ANCHORAGE, ALASKA

ASD MEMORANDUM #369 (1999-2000)

June 12, 2000

TO: SCHOOL BOARD

FROM: OFFICE OF THE SUPERINTENDENT

SUBJECT: RESOLUTION IN OPPOSITION TO THE 10-MILL PROPERTY
TAX CAP INITIATIVE

RECOMMENDATION:

It is recommended that the School Board approve a resolution in opposition to the 10-mill Tax Cap Initiative.

PERTINENT FACTS:

The 10-mill tax cap initiative, if approved by voters, would reduce the Anchorage School District's revenue by \$33 million and the Municipality of Anchorage's revenue by \$40 million.

Proposed 10-mill taxes cap initiative, "An Act Providing Property Tax and Assessment Relief" (99PTR), will appear on the November 2000 ballot. It seeks to impose a statewide cap on property taxes that would severely restrict municipal revenues, thereby impacting local funding of schools. The tax cap initiative:

- Limits local mill rates to 10 mills per municipality, including future bond debt;
- Eliminates fair market values as the basis for determining how much taxpayers pay and restricts future assessed valuation to the lower of 2% of the CPI, despite actual market value increases, except when a property is constructed or sold; and,
- Takes away local voter control by allowing people in one part of the state to set mill rates for people in another part of the state.

The passage of the tax cap initiative would result in a massive reduction of programs, services and employees in the Anchorage School District and Municipality; and, it would have a devastating impact on the quality of public education provided to the children and community of Anchorage.

BC/LW
Attachment

Prepared by: Larry Wiget, Executive Director, Public Affairs
Approved by: Bob Christal, Superintendent