



# CITY OF SAINT PAUL

ALASKA

## MEMORANDUM TO COUNCIL

**TO:** Mayor and City Council Members

**FROM:** Phillip A. Zavadil, City Manager

**CC:** Aubrey Wegeleben, City Clerk; Stephanie Mandregan, Finance Director

**DATE:** December 6, 2023

**RE:** Ordinance 23-06 - Amending the City Code of Ordinances to revise and amend Chapter 4.25 Sales Tax Deleting Subsection (E) from the Sales Tax Exemptions

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**SUMMARY:** Ordinance 23-06 approves revising and amending the Chapter 4.25 Sales Tax by deleting subsection (e) from the sales tax exemptions.

**PREVIOUS COUNCIL ACTION:** Council approved the first reading of this ordinance on November 2, 2023 and the second reading on November 14, 2023.

**BACKGROUND AND DISCUSSION:** No changes were made to this ordinance since the November 2, 2023 meeting.

**ALTERNATIVES:** Council could choose not to approve this ordinance.

**FINANCIAL IMPLICATIONS:** The cost to implement this fee is minimal to the City. Deleting this exemption could generate approximately \$40,000 to \$50,000 in additional sales tax revenue to the City.

**LEGAL:** The City's general legal counsel has reviewed changes to this ordinance. Council members that own and/or actively fish a vessel 46 feet or less in length should verbally declare a conflict of interest on this ordinance and abstain from voting.

**ADMINISTRATION COMMENTS AND RECOMMENDATION:** Administration recommends approval of this ordinance.

**PROPOSED MOTION:** I move to approve Ordinance 23-05.

**ATTACHMENTS:** Ordinance 23-06, Changes to Coded Ordinance 4.25, Ordinance 16-04.