SENIOR SALES TAX EXEMPTION TASK FORCE RECOMMENDATION
Draft Option two

If the Assembly decides to change the Senior Sales Tax Exemption, the Senior Sales Tax Exemption Task Force recommends the following option with the following terms of eligibility.

The sales tax exemption eligibility age would increase to 75 as follows:

<table>
<thead>
<tr>
<th>On this Date</th>
<th>The Qualification Age Is</th>
</tr>
</thead>
<tbody>
<tr>
<td>12/31/2006</td>
<td>65</td>
</tr>
<tr>
<td>12/31/2016</td>
<td>75</td>
</tr>
</tbody>
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- Only age qualified Juneau residents are eligible for the sales tax exemption.
- Juneau residency shall be determined by Permanent Fund eligibility with a Juneau Address for the age qualified person.
- Any person who is age qualified and relocates to Juneau after the new ordinance takes effect shall be eligible for the exemption.
- Resident spouses of eligible Juneau residents shall also be eligible.
- All senior sales tax exemption cards issued prior to the effective date of the new ordinance shall become void and replaced with a new card which shall be renewed every three years, without charge, for qualifying Juneau residents.
- Initial eligibility and renewal applications shall be submitted in written form by the qualifying resident.

The benefit of this approach would be –

- First, it allows the existing Juneau seniors to be grandfathered in.
- Second, it provides an exemption to seniors when they are most likely to need financial assistance (age 75 and over).
- Third, age demographics projections show that the greatest number of individuals over 65 will be in the 65 to 75 age group. Thus, eliminating individuals between 65 and 75 will have a significant impact (likely a reduction great than 50%) on the total number of seniors qualifying.
- Fourth, it is likely that seniors over 75 purchase less than seniors between 65 and 75. As such, eliminating this age group will also reduce the average per person dollar impact.
- Fifth, since the total number of seniors qualifying will be reduced, it helps reduce the exemption accounting/tracking costs incurred by merchants.