SENIOR SALES TAX EXEMPTION TASK FORCE RECOMMENDATION
Draft Option three

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

On this Date The Qualification
12/31/2006 Age Is
65

- 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 but phases out the program eventually.
- Third, age demographics projections show that the greatest number of individuals over 65 will be in the 65 to 75 age group. Thus, new individuals who reach 65 later will not add to the revenue shortfalls and administrative burden of the program.
- Fourth, since the total number of seniors qualifying will be reduced immediately, it helps reduce the exemption accounting/tracking costs incurred by merchants immediately.