

A wide majority of participants in a series of community forums convened by **Anchorage** Mayor Dan Sullivan think the city relies too much on property taxes to pay its bills and some were interested in instituting a **sales tax** to offset property taxes, according to a report Sullivan's office released Wednesday.

But few participants trusted that city government would put new taxes in place in a way that property taxes would actually be reduced -- even though there's a cap that limits the total amount of revenue that the city can raise each year.

The forums were held in the fall, and had 191 participants.

Sullivan plans to distribute the report, then consult with Assembly members "to see if there's any interest in putting something on the ballot."

City **voters** have rejected a **sales tax** four times in the past -- most recently by a 70-30 split in 2006. Successful passage requires approval from at least 60 percent of **voters**, according to the city charter.

Sullivan said that he supports a **sales tax**, but "only if it replaces property taxes dollar for dollar."

The report, he added, shows that with some education on the matter, residents could get on board with a **sales tax**.

The report was written by a city consultant after four forums in October and November -- one each in Spenard, Midtown, Eagle River, and South **Anchorage**.

Of the 191 participants, nearly 40 percent reported a household income of more than \$100,000, and 82 percent were white. Per capita annual income in the city is \$36,000, and 67 percent of **Anchorage** residents are white, according to the U.S. Census.

About 60 percent of forum participants said they had lived in **Anchorage** for more than 20 years, and 86 percent said they owned a home. Census figures show that 61 percent of city residents own a home.

Other tidbits from the report:

- A **city tax** on alcohol was the most popular of six proposed options for reducing property taxes, with more than one-third of participants choosing it as a preferred substitute.
- **Sales tax** was the next most popular, with 25 percent choosing it. But it was also among the most fiercely opposed, with 23 percent of participants saying that it was one of their least preferred options.
- Some 70 percent of participants favored reducing the property **tax** exemption for nonprofit organizations, though that would take a change to state law, according to the report.

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