

County 11-9-94

approves

sales tax

● **Next year** Douglas County merchants will begin collecting an extra 1 percent sales tax.

By Gwyn Mellinger

JOURNAL-WORLD WRITER

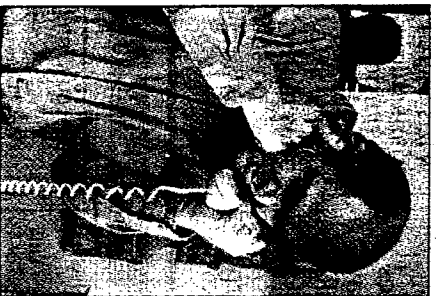
Douglas County voters endorsed a city-county wish list of capital improvements, endorsing an extra penny of tax on every retail dollar spent.

Voters in Tuesday's general election approved a countywide 1 percent sales tax approximately 57 percent to 43 percent. With all precincts reporting, the unofficial vote total was 15,714 to 11,061.

Lawrence City Manager Mike Wildgen, who watched election returns materialize Tuesday night at the Douglas County Courthouse, said the outcome sends a message to local government.

"There's a clear distinction between the sales tax and the property tax, and I think that's important," Wildgen said.

The sales tax, which will raise an estimated \$7 million next year, was designed to finance con-



RICHARD GWIN/JOURNAL-WORLD
PHOTO

Fred DeVictor, director of Lawrence parks and recreation, received good news from Douglas County voters.

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Voters approve sales tax

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struction of a new county jail and a package of Lawrence parks and recreation improvements.

In addition, Lawrence and Douglas County would use a portion of their revenues to buy additional space for community health agencies and to provide property tax relief.

Lawrence officials have pledged to cut their tax levy on real estate by five mills while the county is planning a two-mill reduction in its levy. A mill is \$1 of tax for every \$1,000 of assessed valuation.

The cities of Baldwin, Eudora and Lecompton also would receive revenues from the tax and have earmarked the money for capital improvements.

For county officials, who had warned that jail overcrowding could trigger a judicial mandate to build a county jail, the sales tax's passage was cause for relief.

Douglas County Commissioner Jim Chappell said he expected plans for the jail to get immediate attention.

"Probably within a couple of weeks we'll have to make some decisions," he said.

Lawrence Mayor Jo Andersen said approval of the sales tax was a vote of confidence for the city.

"To me this is a statement by the citizens that they're happy with Lawrence, they're optimistic about the future and they trust elected officials to spend the money wisely," she said.

● Sales tax reactions, page 4B.

Sales tax proposal wins over voters in county

Selling tax no easy task, backers say

● **The complexity** of the 1 percent countywide sales tax issue made it a difficult sell to Douglas County voters, tax backers say.

By GWYN MELLINGER
JOURNAL-WORLD WRITER

As one of the architects of the 1 percent countywide sales tax, Lawrence City Commissioner John Nalbandian said he had been optimistic that the proposal would survive Tuesday's general election.

For one thing, the package never generated organized opposition; for another, volunteers reported positive responses to their phone calls soliciting support for the tax.

But without formal polling, Nalbandian was reluctant to be overly confident until the vote total became insurmountable. In the final accounting, the sales tax measure captured 15,714 yes votes to 11,061 no votes; a 57 percent plurality.

"What's really great is that we ran a campaign that was very informational and I think the

PENNY WISE

Beginning Jan. 1, Douglas County merchants will tack an extra penny onto each dollar of retail sales.

The countywide 1 percent sales tax that voters approved Tuesday will raise the total sales tax lug in Douglas County to 6.9 percent.

Douglas County retailers already collect a 4.9 percent sales tax for the state and a 1 percent tax for the city of Lawrence.

people were able to see that we need the facilities that were to be funded with the sales tax," he said.

Specifically, the tax will pay for a new county jail; additional space for community health organizations; Lawrence parks and recreation facilities; capital

improvements in the county's smaller cities; and reductions in the Lawrence and Douglas County mill levies.

Selling the tax was no simple task, said Shirley Martin-Smith, a member of the 4-for-1 Committee, a citizens' group that backed the proposal.

"In my mind this is a complicated issue," she said. "It took a lot of community effort."

Martin-Smith said winning support for the proposal meant selling the list of proposed expenditures and then convincing voters that a sales tax was the way to pay for them.

The issue played upon growing dissatisfaction with rising property taxes, she said.

"People are concerned about their property taxes and they understand the need," she said. "Given the choices, they chose to do it this way."

The tax will have a tangible effect on Douglas County, Nalbandian said.

"In five to 10 years there are going to be a lot of positive, visual effects of this decision," he said.

Projects necessary, opponents concede

● **Opponents of the sales tax** say concerns about regressiveness prompted them to vote against it.

By GWYN MELLINGER
JOURNAL-WORLD WRITER

The need for local revenue wasn't at question in Tuesday's election; how the funding would be raised was, opponents of the countywide sales tax said in defeat.

"It's a very regressive tax and I would really like to see the state take it off food before we use it any more," said Marci Francisco, a former Lawrence city commissioner.

She added, however: "I support the improvements that are going to be funded."

The tax, which will raise an estimated \$7 million in annual revenue, will finance such improvements as construction of a new county jail; additional space for community health agencies; new Lawrence parks and recreation facilities; and property tax relief.

"Realistically, we needed additional taxes at the local level, and the alternatives that were available were the property tax and the sales tax, and the property tax has been continually going up."

Ed Dutton,
chairman of the Douglas County
Advocacy Council on Aging, and
sales tax opponent

The sales tax has been called regressive because it takes a greater percentage of a poor person's income than that of more well-off people.

Francisco conceded that the idea of being able to capitalize on the retail dollars spent by out-of-town visitors was attractive. But she preferred a revenue source that was more in line with a person's ability to pay.

"I'd like it to be a property tax or an intangibles tax," she said.

Lawrence Mayor Jo Andersen said that, although she support-

ed the sales tax, she, too, was troubled by the regressive nature of the tax.

"I think we need to be sensitive to the needs of low-income people," Andersen said. "I would like to see at the state level some mitigation of the sales tax on food and medicine."

Ed Dutton, chairman of the Douglas County Advocacy Council on Aging, said 32 states exempt food from their sales taxes.

Dutton said he hoped for a state-level effort to find a progressive alternative to both sales and property taxes. Ideally that would be an income tax, he said, noting that voters had few choices in Tuesday's election.

That would help explain why the sales tax proposal garnered no organized opposition, Dutton said.

"Realistically, we needed additional taxes at the local level, and the alternatives that were available were the property tax and the sales tax, and the property tax has been continually going up," he said.