

# Everyone shares local option tax

## To the Editor:

The undersigned members of the Committee for Property Tax Relief are writing in support of the local option tax proposal which will appear on the ballot on Nov. 4.

The cutback and termination of revenue sharing funds from the federal government to local government is now complete. In the past, the city of Ames used \$328,000 of revenue sharing money to support local human service agencies and the arts. The county likewise contributed another \$270,000 of revenue sharing funds for these important services.

These revenue sharing dollars are gone. The services for the poor these funds went to will also be gone unless some way is found to replace these lost dollars.

The local option tax is a 1-cent local tax on sales and services, the proceeds of which will go 60 percent for property tax relief and 40 percent for the support of human services, the arts and community betterment. In Ames, this would mean at least \$1.1 million per year would go for property tax relief, and over \$757,000 per year for human

services, the arts and community betterment.

Most necessities are not subject to the tax. Food, medical services, drugs, rent and some 19 other items are exempt from the tax, including gasoline and the purchase of automobiles.

Without the local option tax the only way the city can raise revenue to meet increased expenses is to increase property taxes. University housing, which houses over 10,000 people, is exempt from property tax. The local option tax provides a mechanism for relieving this burden which has been laid exclusively at the doorstep of property owners. Iowa ranks 14th in the nation in per capita property taxes. The local option tax spreads the tax base over the entire community and not just on property owners.

We believe the local option tax is the best and fairest way to replace the lost revenue sharing funds. It's a small tax spread out over the entire community and since it is over the entire community, it will generate the sums of money we need to support these vital services. The

local option means that these services will continue and we believe it is fair that everyone in the community shares in the costs, since everyone benefits.

That's really why we are supporting this proposal. Our group is made up of Democrats and Republicans, conservatives and liberals, property owners and renters. Since we will be able to reduce the burden on property taxpayers and continue to fund valuable services for the poor, under the local option tax proposal everyone benefits and everyone shares.

**The Committee for  
Property Tax Relief  
Mary Atherly, Co-Chair  
Tim Finn, Co-Chair  
Dean Hunziker, Treasurer  
Bill Tysseling  
Dan Griffen  
Lynette Hanthorn  
Hazel Hammer  
Steve McDonnell  
Harry Strait  
Bill Pelz  
Kathy Svec  
Dan Otto  
Mark Barrett**