

TITLE AND BALLOT LANGUAGE

CITY OF AMERICAN FORK PROPOSAL
TO ENACT A SALES AND USE TAX FOR
CULTURAL ARTS AND RECREATION
(PARC) TAX

PROPOSITION #5

Should the City Council of American Fork City, Utah, enact a local sales and use tax (PARC Tax) of 1/10 of 1% (10 cents of every \$100.00 spent) to fund cultural arts facilities and organizations and recreational facilities in the City of American Fork, said tax to be levied for ten (10) years beginning April 1, 2023?

Funding may be used for publicly owned or operated facilities such as:

- Parks
- Playing fields
- Trails
- Bike paths
- Performing arts centers
- Museums
- Art galleries

Funding may be used to support non-profit organizations providing programs such as:

- Live theater
- Symphonies
- Operas
- Ballet/Dance
- Choral groups
- Festivals

FOR

AGAINST

AMERICAN FORK CITY
51 E. MAIN STREET
AMERICAN FORK, UTAH 84003
WWW.AMERICANFORK.ORG

VOTER
INFORMATION
PAMPHLET

NOVEMBER 2, 2021
GENERAL ELECTION

IMPORTANT
INFORMATION
REGARDING THE
PROPOSED PARC TAX

PROPOSITION #5

Note: Mail in Ballots must be postmarked by Monday, November 1, 2021, or returned to any Utah County Vote Center or Ballot drop box by Tuesday, November 2, 2021, at 8 pm.



Argument FOR the PARC Tax

In 2014, American Fork citizens chose to invest in our community by approving a sales tax initiative called the PARC program. Proposition 5 seeks to continue this program.

PARC stands for parks, arts, recreation, and culture. All funds are spent in these four categories. The PARC tax collects one cent for every ten dollars spent at an American Fork business. That's one tenth of one percent (.10% or .001). It doesn't seem like a lot, but over time it really adds up. Since the PARC program began, American Fork has put nearly \$6.5 million back into our community. These funds have been used to build pickleball courts, parks, playgrounds, baseball fields, and bathrooms. PARC funds have also been used to enhance our fitness center, library, and bring bands, plays, concerts, and artwork to our community. These community enhancements simply could not happen without these PARC funds. To see a complete list of projects funded by the PARC tax please visit www.afparc.org.

PARC tax benefits American Fork City residents, not just in how it's spent, but also in how it's collected. That's because it is funded by sales tax, much of which is paid for by people from outside of American Fork who spend money at American Fork businesses.

All PARC funded projects are fully vetted by a resident group and all money is fully accounted for by residents, the City, and city council. All organizations interested in PARC funds must submit a report to a PARC tax board made up of American Fork residents. The PARC board reviews all projects, including funding, project goals, metrics, and deliverables. They only recommend to city council the projects that will benefit American Fork the most. Approved organizations must account for use of their funds through financial reports they submit during and after their project is completed. Some organizations may even be asked to present their projects to council or the resident PARC board. Since its inception the PARC tax program has been fully transparent with a high level of accountability.

Proposition 5 will renew the PARC tax that is currently in place. Vote "Yes" on Proposition 5 to continue our momentum in building and fortifying our wonderful community.

-Mayor Frost and the American Fork City Council

Argument AGAINST the PARC Tax

Voters should vote against the proposed PARC tax, a sales and use tax hike. While the allocation of the funds to public parks and arts is an important pillar in the success of our communities and all the residents there of, the method that is being proposed to collect these funds is shockingly inequitable.

The proposed PARC tax is inequitable because the sales and use tax will drop a disproportionate burden on American Fork's low-income residents and families while only laying light responsibility on high income households. This is the fundamental nature of sales and use tax. The greater percentage of a household's income that is spent on essential goods, such as groceries and clothing, then the greater percentage of a family's income is siphoned off as tax. In other words, the PARC tax impacts families and low-income households the most because they spend the greatest proportion of their disposable income on essential goods that will bear this tax.

It may be argued that a 1/10 of 1% sales and use tax will not impact the consumer because it is such a small amount. I counter by asking the question, at what point will American Fork sales tax stop increasing? We are moving in the wrong direction if we pass the PARC tax. Historically, once a sales and use tax has been set into operation and rakes in significant funds, it is very difficult to repeal.

I propose that we, the voters, vote against placing this inequitable tax burden on the families of our community and insist the funds be raised some other way. I absolutely wish to see more and improved public park areas, museums, arts, theater, and everything great this proposal will fund, but we can do better than a sales tax.

-Benjamin Bakaitis

The arguments for or against the proposition are the opinions of the authors

Rebuttal Argument FOR the PARC Tax

Proposition 5 is a continuation of the PARC tax previously approved by voters in 2015. It will not be a new tax added.

The argument that the PARC tax is inequitable because it disproportionately burdens the lower income is misleading. PARC tax is a sales tax. If sales tax were exclusively for essential goods like food, toiletries, and clothes, then it could be considered a regressive tax. But because sales tax is also paid on non-essential goods, like dining out, electronics, or new cars, it becomes a proportional tax. Those with more income will spend more money on non-essential goods, thus carrying the larger burden of sales/PARC tax. Additionally, the argument also doesn't consider the positive effect those tax revenues have on the community. The PARC tax specifically goes towards parks, arts, recreation, and culture, most of which are free or low cost to residents. This means all socioeconomic classes, including lower income, can enjoy these services. As previously stated, sales tax is paid for by residents and nonresidents alike which means AF PARC funds are heavily subsidized by nonresidents.

American Fork City always pursues alternative sources of funding to help pay for our parks, arts, recreation, and culture. But most grants and donations are insufficient to fund our needed capital projects. Prior to the PARC tax the City couldn't afford to do any substantial park projects. As an example, Art Dye Park remained unfinished for 35+ years. That is until the PARC tax finished it.

Rebuttal Argument AGAINST the PARC Tax

A rebuttal argument against the PARC Tax was not submitted.

Additional information on the Election, including candidates for Mayor/Council and Vote Center/Ballot Drop box locations, can be found on the following websites or by calling the Recorder's office at 801-763-3000.

www.americanfork.gov

www.vote.utah.gov

utahcounty.gov/clerk/aud/elections