Impact of Proposed Sales Tax Increase if Approved by Voters

Response to Iris Stevens Email on June 19, 2019

Example	{(New Value	-Original Value)	/Original Value}	x100=	Percent Increase
a	9.50%	8.50%	8.50%	100%	11.76%
IS Ex. In Email	$ 469.75	$ 445.46	$ 445.46	100%	5.45%
b	$ 469.76	$ 465.47	$ 465.47	100%	0.92%
c	$ 109.50	$ 108.50	$ 108.50	100%	0.92%

a represents percentage increase in current sales tax versus what sales tax would be if placed on ballot and approved by the voters. It doesn't represent how much each item would increase in cost when purchased.

b **Corrected Iris Stevens Example on TV**

Base Price of TV	$ 429.00	Base Price of TV	$ 429.00
Sales tax @ 8.5%	$ 36.47	Sales tax @ 9.5%	$ 40.76
Total Price*	$ 465.47	Total Price	$ 469.76
Change in Total Price	$ 4.29	0.92%	
% Increase on Base Price of TV ($429)		1.00%	

*Mrs. Stevens calculation included a math error. She added $36.46 to $429.00 and came up with a total of $445.46 which is only a $16.46 increase instead of the $36.46 increase based upon the 8.50% sales tax.

c **Example Using $100 as the Purchase Price**

Base Price of Item	$ 100.00	Base Price of Item	$ 100.00
Sales tax @ 8.5%	$ 8.50	Sales tax @ 9.5%	$ 9.50
Total Price*	$ 108.50	Total Price	$ 109.50
Change in Total Price	$ 1.00	0.92%	
% Increase on Base Price of Item ($100)		1.00%	