

Sales tax for Hiawatha recreation put on ballot

(KNZA)--Hiawatha voters will decide during the November general election whether to approve a one-quarter percent city-wide sales tax for recreation.

The Hiawatha City Commission Monday evening approved a resolution placing the sales tax initiative on the November 5 ballot.

If approved by voters, it would commence April 1 of 2020 and replace the existing one-quarter percent sales tax imposed for the town's historic post lantern street lights, which is set to expire March 31 of next year.

If approved by voters, Mayor Bill Collins said it would allow the city to lower its property tax levy 3 to 7 mills.

City Administrator Mike Nichols put together a table to demonstrate how it would affect property taxes.

It shows for a owner of a home with an appraised value of \$150,000, with a 4 mill property tax levy decrease as a result of the recreation sales tax, that individual would have to spend \$27,600 in that same year to negate the savings of the levy decrease. That's equal to spending \$530 on taxable items in the city per week.

In other business, the Commission adopted the 2020 city budget as published.

That followed a hearing drawing no public comment.

It calls for total expenditures of \$8.1 million and a .051 mill levy increase.

Under the budget, the city will collect more than \$1.2 million in property taxes.

Commissioner Toni Hull said she thinks its an excellent budget.

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