Broussard
tax hike
approved

By Kent Davidson

BROUSSARD — Officials plan to ask the town's voters to approve a one-cent sales tax increase.

The proposal, made by the Town Council Tuesday, will now be the subject of two public hearings, officials said. Those hearings have not yet been scheduled.

The council voted 4-1 to put the measure on the Oct. 19 ballot. The lone vote against the measure was cast by Jimmy Theaux.

Supporters of the measure say that the one-cent increase, which will bring the town's overall rate up to 7.5 percent, will fund a needed revamping of the town's water system.

A recent study showed that the town can lower its fire rating from a six to a four by undertaking the project, said City Councilman Bobby Broussard.

The project would cost an estimated $1.2 million, he said.

"We have to find a solution on how to fund this," Broussard said.

The town currently collects a one-cent sales tax which brought in about $200,000 last year.

Theaux, however, feels that the increased tax is not necessary.

"I think that any government should not live better than its citizens," he said.

When revenue collections go down, Theaux said, the government should make the necessary cuts.

"The government should live within its means, just like you have to at your house," he said.

Theaux also feels that there are other ways to increase the
tax dollars the town brings in.

Business owners, and local citizens, can help the community by making sure that the sales taxes they pay go to the town. If local businesses would have their customers pick up items sold in Broussard, instead of delivering them outside the town, the sales tax revenues would stay in Broussard, Theaux said.

"If we educate our businesses to get customers to pick up their purchases in Broussard, Broussard would get the money," he said.

Also, Theaux continued, any time that a Broussard resident makes a purchase that is delivered, that resident should specify that he lives in Broussard so that the town will get the sales tax revenue.

"There’s a way of increasing the dollar bills that Broussard gets without increasing the percentage of the tax," he said.

Broussard, though, contends that most of the sales taxes paid in the town are paid by out-of-town residents. Figures compiled by Mayor Charles Langlinais, who worked with business owners to estimate how much of their business comes from local customers, show that 60 percent of the sales taxes collected in the town are paid by non-residents.

Also, Broussard said, the council intends to rescind the town’s property tax if the sales tax increase is approved.

According to Broussard’s figures, the town collected $86,577 in property taxes last year, for a per-household expense of $57.27.

The additional sales taxes, if Langlinais is correct in assuming that 50 percent of the tax will be paid by non-residents, will cost the town’s residents about $4 per year, Broussard said. That would amount to a net reduction of about $16 per year.

That property tax reduction, however, cannot be tied to sales tax election, Broussard said, causing the council to have to bring that issue to the voters at a later date.

"We’ll get our upgrade done with 65 percent of it being paid by outside people," Broussard said. "The council has guaranteed that we will drop the property tax.

By doing the upgrade, the town’s residents will also save an estimated $42 per year in fire insurance costs, he said.

That savings, though, will not be realized until the work is complete and insurance rates are lowered, Broussard said.