



## REMINDER

The sales tax rate is 6% during the months of April, May, June, July, August, and September. Rentals of Real Property (except for Long term residential units) for thirty or more consecutive days remain at 5% (SGC 4.09.120). Bed tax remains at 6%.

A 6% sales tax chart may be obtained in our offices or on our website at [www.cityofsitka.com](http://www.cityofsitka.com) under the "Doing Business in the City" link.

### Questions & Answers



- 1) **Long Term Residential Rent.** If I have an apartment in my home, do I need to register with the City and Borough of Sitka since there is no sales tax charged on residential rentals for more than 30 days? Yes. All business activity must be registered with the City and Borough of Sitka. You would need to register this rental; report your total rent received for each calendar year on a yearly tax return on Line 1B; and exempt this transaction from sales tax on Line 3B. Therefore, if the return is filed on time, there is no money owed.
- 2) **Internet Sales.** If I have a website, are my sales subject to sales tax? No. Currently Federal Law prohibits taxation on internet sales. Therefore, internet sales are not taxable unless purchases are made over the internet to intentionally evade sales tax. For example, if a locally based business receives an internet order by a locally billed customer with delivery into the City and Borough of Sitka, the item(s) purchased on the internet should be charged the City and Borough of Sitka's sales tax.
- 3) **Contracted Employees.** If I am a business who works for another business so don't collect any sales tax, do I need to register with the City and Borough of Sitka? Yes. The City and Borough of Sitka requires that you register your business activity and report your receipts and exemptions. If no sales tax is owing, you may request to file yearly instead of reporting quarterly. All employees, who receive a 1099 at year-end for their IRS taxes instead of a W-2, need to register and report their business activity with the City and Borough of Sitka.

### Have you applied for your 2009 Resale Exemption Card???

Thank you to those businesses that are requiring presentation of the exemption cards. It is required that you document all exemptions in your records for up to 6 years.

We are available to answer questions and help with filing of your sales tax returns Monday through Friday from 8:00 a.m. to 5:00 p.m. except on City recognized holidays. The City Offices will be closed Monday, May 25th recognizing Memorial Day. Our offices are located on the second floor of the City building in the Finance Department or we may be contacted by phone at 747-1840 or 1853 or email at [salestax@cityofsitka.com](mailto:salestax@cityofsitka.com).

1st Quarter, 2009
January, 2009
February, 2009
March, 2009
DUE APRIL 30TH



We're on the Web  
[www.cityofsitka.com](http://www.cityofsitka.com)  
Under the "Doing Business in the City" link



**CITY AND BOROUGH OF SITKA**  
Finance Department, Sales Tax Division  
100 LINCOLN STREET, SITKA AK 99835  
(907) 747-1840, 1853 Fax: (907)747-0536

## **GOVERNMENT FUNDED TAX EXEMPT AGENCIES**

**2009**

Expiration: 12/31/09

N09-507	Alaska Marine Safety Education Assoc.
N09-509	Alaska Network on Domestic Violence & Sexual Assault
N09-502	Center for Community
N09-510	River's Edge Property Inc.
N09-511	Sitka Counseling & Prevention Services
N09-508	Sitka Economic Development Assoc. (SEDA)
N09-501	Sitka Sound Science Inc
N09-503	Sitka Trail Works
N09-514	Sitkan's Against Family Violence
N09-512	South East Regional Resource Center
N09-515	Southeast AK Guidance Assoc. (SAGA)
N09-516	Southeast Alaska Regional Health Consortium (SEARHC)
N09-504	Southeast Alaska Independent Living Sitka Branch
N09-506	Southeast Region EMS Council
N09-505	Swan Lake Senior Center (Catholic Community Services)
N09-513	Youth Advocates of Sitka

The above agencies are exempt from sales tax only in the City and Borough of Sitka; they are required to pay bed tax when applicable.

### **PERMANENT ISSUED GOVERNMENT AGENCIES TAX EXEMPTION NUMBERS:**

Below is a list of some of the common local government agencies with exemption numbers. If one is not listed and they don't know their number, please call the Sales Tax office for the number.

Government agencies are exempt from sales and bed tax.

G01-0004	City of Sitka
G01-3004	Sitka Community Hospital
G01-5005	Sitka Convention & Visitor's Bureau
G00-0504	Sitka Tribe of Alaska
G00-0503	ALPS Federal Credit Union

as of Feb. 23, 2009