



## REMINDER

As the busy summer months are ahead of us, please be reminded the sales tax rate is 6% during the months of April, May, June, July, August, and September. Rentals of Real Property for thirty or more consecutive days remain at 5%(SGC 4.09.120 except for Long Term Residential Rentals which are tax exempt). Transient Room Tax (or known as Bed tax) remains at 6%.

### New Nonalcoholic Sugar-sweetened Beverage Excise Tax being proposed

Assembly persons Phyllis Hackett and Mim McConnell are co-sponsoring Ordinance 2010-22 which would place on the ballot at the next municipal election in October a proposition to levy an excise tax on nonalcoholic sugar-sweetened beverages of one cent (\$.01) on each full ounce of any nonalcoholic sugar-sweetened beverage sold or offered for sale in Sitka on the first distributor when it is brought into or acquired Sitka. Distributor means any person other than a bottler that sells at wholesale prices nonalcoholic sugar-sweetened beverages in the municipality to retailers, other distributors, or others for resale purposes. Such distributors are also required to be licensed under this Ordinance. The proposed SGC amendments contain various definitions, as well as tax and licensing procedures. For example, "sugar-sweetened beverage" is defined in the new SGC provisions, to include any nonalcoholic drink that is sweetened with a caloric sweetener, including any soft drink, soda, sports drink, energy drink, milk, water, fruit juice, vegetable drink, water, tea, and coffee. Baby-formula and 100 percent fruit or vegetable juice with no other caloric sweetener added are not included in that definition. Nonalcoholic sugar-sweetened beverages may be in liquid, frozen, powder, or dehydrated form.

The proposed Charter amendment would create a dedicated fund for the nonalcoholic sugar-sweetened beverage excise tax revenue, to be used for a community recreation center, including acquisition or lease, operation, capital improvements, maintenance, repairs, and debt service of such a facility.

2nd Quarter, 2010
April, 2010
May, 2010
June, 2010
DUE AUGUST 2ND



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

## Fish Box Tax Reminder

It's that time again!!! As we approach our busy summer season, processors and charter operators are reminded of Ordinance No. 06-38 effective January 1, 2007 imposing a sales tax of "a flat rate of ten dollars per fish box... on packaged fish and/or seafood caught or taken and retained by fish charter customers as part of the fish charter." The ordinance also explains that the "tax shall be paid by the fish charter customer, collected by whoever packages the fish and/or seafood caught or taken by the fish charter customer, and is in addition to any sales tax paid based on the cost of the charter." This provision is included in Section 4.09.010(C) of the Sitka General Code. Contact the Sales Tax offices for more clarification on this tax.



**\*\* ALERT\*\***

**regarding**

### **RESALE CARDS**

Businesses are reminded that the items that they have been granted on their resale cards for tax exemption must be resold or consumed in the production of a product that will be resold. Improper usage of the resale card could result in cancellation of the card and/or fines. **HAVE YOU OBTAINED YOUR CURRENT 2010 RESALE CARD???** 2009 CARDS ARE NOT VALID **AND TAX SHOULD BE ASSESSED IF THESE ARE PRESENTED!!!!**

Also, businesses are reminded to verify on the card that the item that is being purchased as tax exempt is listed on the resale card as a tax exempt item. **YOU MUST SEE THE CARD BEFORE YOU GRANT A TAX EXEMPTION.** If the business has a charge account, a copy of the card should be left with the billing department so the billing department can verify the tax exemptions prior to the billing statement being issued. Businesses are required to be able to properly document their tax exemptions that are claimed on their sales tax returns or may be liable for the additional tax owed.



We are available to answer questions and help with filing of your sales tax quarterly 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, September 6th in recognition of Labor 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.

### **Please Remember**

- \*LIST YOUR ACCT. NUMBER ON ALL CORRESPONDENCE AND PAYMENTS.
- \*SIGN YOUR TAX RETURNS!!!
- \*SENIOR CITIZENS CAN ONLY USE THEIR SENIOR EXEMPTION FOR THEIR PERSONAL USES - THEY ARE NOT ALLOWED TO USE THIS EXEMPTION FROM SALES TAX FOR BUSINESS PURCHASES.
- \*ONLY THOSE COMPANIES WITH CITY AND BOROUGH OF SITKA (CBS) RESALE EXEMPTION CARDS, SENIOR CITIZENS WITH CBS SENIOR CITIZEN EXEMPTION CARDS, THOSE BUSINESSES LISTED ON THE 2010 APPROVED GOVERNMENT SUPPORTED NON-PROFIT TAX EXEMPT AGENCIES, AND GOVERNMENT AGENCIES ARE TAX EXEMPT IN THE CITY AND BOROUGH OF SITKA. ALL OTHERS SHOULD BE CHARGED SALES TAX UNLESS THE SALE/SERVICE IS EXEMPT PER SGC 4.09.100.