



REMINDER

October 1, 2008 reverts back to 5% sales tax charged on all sales, services, and rentals unless otherwise exempt.



Bed tax remains at 6%.

GOVERNMENT SUPPORTED NON-PROFIT AGENCIES APPLICATIONS FOR 2009 TAX EXEMPT STATUS

Ordinance 2008-04 was passed that changed the qualifications for government supported non-profit agencies effective January 1, 2008 to “Nonprofit organizations that qualify as tax exempt under IRC section 501(c) and derive fifty percent or more of their gross revenue from local, state, or federal government sources” can apply yearly by submitting an annual report and an application to the City and Borough of Sitka. These applications will be mailed out to current tax exempt agencies in October and need to be remitted by the beginning of December. The code states that the exemption will become effective 30 days after approval so remit your applications early in order to qualify by January 1, 2009. If you do not receive an application, they may be found on our website.

**ASK TO SEE
CURRENT TAX
EXEMPT
CERTIFICATES!!!**



3rd Quarter, 2008
July, 2008
August, 2008
September, 2008
DUE OCTOBER 31st

Special points of interest:

- *Please provide your account number with all correspondence, payments, or inquiries. This helps ensure accuracy on our part.*
- *Non-profit government supported agencies should be preparing to submit their financial packet and application for tax exempt status to the City and Borough of Sitka in November. Effective January 1st, only those approved will be granted tax exempt status for 2009 until approval has been granted.*
- **HAVE YOUR VOICE HEARD—VOTE ON OCTOBER 7th.**



REMINDER!!!!

If a service provided crosses the boundary for the **seasonal sales tax** decrease, the higher sales tax rate applies. Thus, if you are performing a service for a customer and you start the job in September and don't complete the job until October, the whole job will be billed at the 6% tax rate unless you separate your bill and bill for the service provided in September under one invoice and under a separate invoice bill for work done in October. However, if the bill is separated than the over thousand exemption must apply to each invoice as well..



Seasonal Businesses

If you anticipate no business activity for the 4th quarter 2008 and 1st quarter 2009, you may pre-file those quarterly returns so you don't risk forgetting to file and being assessed penalties on late returns. Additional forms may be found online.

Resale Exemption Cards

Current holders of resale exemption cards should be aware that these cards will expire on December 31, 2008. A new application for 2009 will be mailed out to current card holders in November. The application will need to be completed and signed for a new valid card to be issued for 2009. The application can be marked as renewal and same codes as last year. Your new cards will be mailed out prior to January 1st or within one week of receipt of the application. If you do not receive an application in the mail, you may obtain one from our website or in our offices. The resale cards are free however don't lose your cards because once issued, there is a \$5.00 replacement fee per card.

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 (upcoming holidays are October 17th and November 11th & 27th). 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 747-1853.

Marjorie Parmelee—Sales Tax Clerk
Brenda Calkins—Sales Tax Auditor

We're on the Web
www.cityofsitka.com
Under the "Doing Business in the City" link