



REMINDER

October 1, 2012 sales tax reverts back to 5% charged on all sales, services, and rentals unless otherwise exempt.

Bed tax remains at 6%.



OCTOBER 1, 2012 SALES TAX CHANGES (2)

SALES TAX CAP: On June 26, 2012, the City and Borough of Sitka's Assembly passed Ordinance No. 2012-07S amending into the Sitka General Code 4.09.100(N) a change to increase the dollar threshold over which sales are exempt from \$1,000.00 to \$1,500.00 and added domestic partners to "members of the immediate family" bundling option for sales of services effective October 1, 2012.

SENIOR CITIZEN EXEMPTION: On July 10, 2012, the City and Borough of Sitka's Assembly passed Ordinance No. 2012-19 amending into the Sitka General Code 4.09.100(Y) a change to the senior citizen exemption to not allow an exemption for the purchases of alcohol, cigarette, and tobacco products. Specifically, the code now reads...

This exemption does not apply for purchases for the cardholder or the cardholder's spouse ... for purchase of alcoholic beverages, cigarettes, or other tobacco products.

2. Definitions.

"Alcoholic beverage" includes beer, wine, and all other spirituous, vinous, malt and other fermented or distilled liquid intended for human consumption and contains one-half of one percent or more of alcohol by volume, for which a license or permit for its sale or barter is required by

Alaska Statute Title 04, entitled "Alcoholic Beverages."

"Cigarette" shall have the same meaning as defined in SGC 4.26.190.

"Other tobacco products" shall have the same meaning as defined in SGC 4.26.190.





CIGARETTE & TOBACCO PRODUCTS LICENSE

EXPIRES DECEMBER 31, 2012

Applications for renewal will be mailed out to those with existing licenses the end of November however, if you are importing tobacco products, manufacturing, or selling in the City and Borough of Sitka and did not receive a license application, one may be obtained on our website or in our offices. You are required to be licensed and report your activity per SGC 4.26.

Seasonal Businesses

If you anticipate no business activity for the 4th quarter 2012 and 1st quarter 2013, 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, 2012. A new application for 2013 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 2013. 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. Businesses must be in good standing in order to be issued a resale exemption 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 18th and November 12th & 22nd). 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—Tax Accountant

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

3rd Quarter, 2012

July, 2012

August, 2012

September, 2012

DUE OCTOBER 31st

**ASK TO SEE
CURRENT TAX
EXEMPT
CERTIFICATES**