

# *How to fill out Blue City Sales Tax Return form*

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Step by Step instruction on how to file Quarterly City Sales Tax Return Form.  
Prepared by your friendly city tax division.

# Business information

## CITY AND BOROUGH OF SITKA

100 LINCOLN ST - SITKA, AK 99835 907-747-1840

### QUARTERLY SALES TAX RETURN INCLUDE ALL

*Check here if no business activity this period. Sign, Date,  
and return form on time to avoid late filing penalty.*

See rev

Quarter

ACCT # \_\_\_\_\_

NAME :

ADDRESS:

CHA

AD

CL

### Instructions

Fill in Business information:

- Account number
- Full name of Business
- Business owner name (first and last name)

# Quarter Ending (Top right corner)

## List the quarter end month:

KA  
10

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INCLUDE ALL SALES & SERVICE FOR QUARTER.  
See reverse side for instructions and exemptions.

n, Date,  
y.

Quarter ending \_\_\_\_\_, 20\_\_\_\_

CHANGES:  
 ADDRESS



Quarter 1: Jan, Feb, Mar  
(Quarter ending Mar)

Quarter 2: Apr, May, Jun  
(Quarter ending Jun)

Quarter 3: Jul, Aug, Sep  
(Quarter ending Sept)

Quarter 4: Oct, Nov, Dec  
(Quarter ending Dec)

# Tax % Collection/Remission

Fill out your Tax information on each side according to when tax was collected

The diagram shows a horizontal bar representing a tax form. The bar is divided into two sections. The left section is labeled '5%' and the right section is labeled '6%'. Below the '5%' section, there are two horizontal lines with the text 'TAX)' on the left and '.....' below. Below the '6%' section, there are two horizontal lines with 'XXXXXXXXXXXX' between them. A red arrow points from the text box on the left towards the '5%' section.

5% Tax is to be collected during  
Quarters 1 & 4

(Jan, Feb, Mar, / Oct, Nov, Dec)

6% Tax is to be collected during  
Quarters 2 & 3\*

(Apr, May, Jun, / Jul, Aug, Sep)

\*The Exception to this is 'Long Term Rentals' which are to be collected at 5% year round

# Line 1 & 2: Gross Receipts (Excluding Tax)

**Line 1:** Gross Receipts: This is where you fill out the total dollar amount collected for the sale/service. This amount is broken down into 3 subsections.

- A. Sales/Services
- B. Rental (Long Term): Tax Collected at 5% year round
- C. Rental less than 30 days: Tax collected at 5% or 6% based on when services was provided. AS WELL AS a 6% Bed Tax (See Bed Tax Form on Slide #15)

## 1. GROSS RECEIPTS (EXCLUDING TAX)

- A. Sales / Service.....
- B. Rental (Long term).....
- C. Rentals less than 30 days.....

## 2. TOTAL RECEIPTS (Add Lines A-C)



The dollar amount listed on these lines should NOT include tax!

**Line 2:** Add Lines A-C from Line 1.

# Exemptions! (Line 3)

**Line 3:** This is where you will deduct the tax exempted sales from your Total Gross Receipts.

- The City of Sitka has a full list of approved exemptions to be found in SGC 4.09.100

[Click here for a link to this section of the code!](#)

## 3. LESS EXEMPTIONS

- A. Wholesale.....
- B. Long Term Residential Rentals.....
- C. Outside municipality.....
- D. Senior citizens with CBS exemption card.....
- E. Government agencies.....
- F. Government supported exempt agencies.....
- G. Sales over the taxable limit .....
- H. Other exemptions -attach list- .....

# Exemption A : Wholesale

SGC 4.09.100

P. Resale. A sale for resale of a product, service or rental to a consumer where the resale is subject to tax is exempt.

This exemption is to be used when the business provides a sale or service that is to be taxed by the end user. The business or buyer that is receiving the 'wholesale' service or sale is to collect and remit city sales tax on this dollar amount.

The business or buyer of this product should have a **wholesale/resale exemption card.**

## 3. LESS EXEMPTIONS

- A. Wholesale.....
- B. Long Term Residential Rentals.....
- C. Outside municipality.....
- D. Senior citizens with CBS exemption card.....
- E. Government agencies.....
- F. Government supported exempt agencies.....
- G. Sales over the taxable limit .....
- H. Other exemptions -attach list- .....

Wholesale number should match the tax exempt log that must be filled out by the tax exempt buyer for each tax exempt sale. Copies can be found [HERE](#)

# Exemption B : Long Term Residential Rentals

SGC 4.09.100

AA. Residential Rent. Rent paid for residential housing for thirty or more consecutive days or an entire calendar month by a person or persons for a room, set of rooms, structure, or suite is exempt from sales taxes.

Rentals Less than 30 days: This exemption does not apply to any transaction taxable under Chapter [4.24](#) regarding the hotel, motel, and bed and breakfast transient room tax.

## 3. LESS EXEMPTIONS

- A. Wholesale.....
- B. Long Term Residential Rentals.....
- C. Outside municipality.....
- D. Senior citizens with CBS exemption card.....
- E. Government agencies.....
- F. Government supported exempt agencies.....
- G. Sales over the taxable limit .....
- H. Other exemptions -attach list- .....

Long Term Rent collected at 5% year round includes commercial and business space rent and is not exempted under this exemption

# Exemption C : Outside Municipality

## SGC 4.09.100

M. Outside City and Borough. Sales of goods or services resulting from orders received from outside the city and borough by mail, telephone, or other similar public communication where delivery of the property or performance of services ordered is made outside the city and borough are exempt.

This exemption includes two separate parts for sales and for services.

- Services that are provided to someone outside of the CBS and performed outside the CBS are exempt.
- Sales made by mail or phone to be delivered outside of the CBS are exempt.

## 3. LESS EXEMPTIONS

- A. Wholesale.....
- B. Long Term Residential Rentals.....
- C. Outside municipality.....
- D. Senior citizens with CBS exemption card.....
- E. Government agencies.....
- F. Government supported exempt agencies.....
- G. Sales over the taxable limit .....
- H. Other exemptions -attach list- .....

# Exemption D : Senior Citizen Exemption

SGC 4.09.100

Y. A resident senior citizen (persons over the age of 65 who reside full time in Sitka) who holds a CBS issued senior exemption card may make personal use purchases tax exempt.

(Link to full exemption description [HERE](#))

## 3. LESS EXEMPTIONS

- A. Wholesale.....
- B. Long Term Residential Rentals.....
- C. Outside municipality.....
- D. Senior citizens with CBS exemption card.....
- E. Government agencies.....
- F. Government supported exempt agencies.....
- G. Sales over the taxable limit .....
- H. Other exemptions -attach list- .....

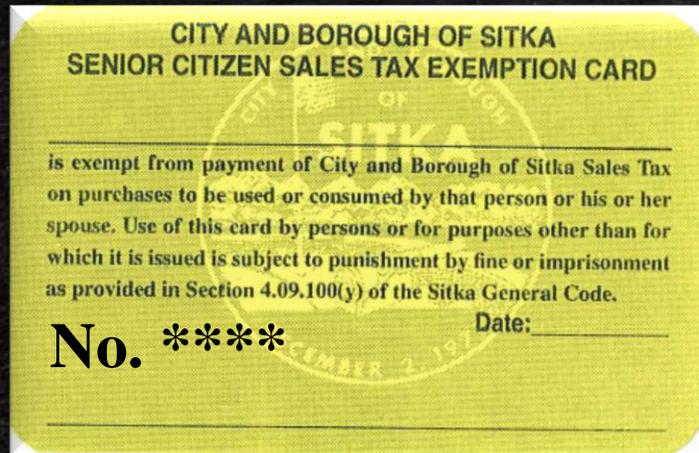
### Example of a CBS issued Senior Tax Exempt Card:

Full Legal Name →

Tax Exempt Number

(4 Digit) →

Signature →



This should match the tax exempt log that must be filled out by the tax exempt buyer for each tax exempt sale. Copies can be found [HERE](#)

### Seniors may not use their tax exemption for:

- a. For use in any trade or business, including but not limited to commercial fishing (non-personal use)
- b. For purchase of alcoholic beverages, cigarettes, or other tobacco products.

# Exemption E : Government Agencies Exemption

SGC 4.09.100

G. Governmental Agencies. A sale directly to any federal, state, municipal or tribal government, or any department or agency of these governments, is exempt.

This should match the tax exempt log that must be filled out by the tax exempt buyer for each tax exempt sale. Copies can be found [HERE](#).

## 3. LESS EXEMPTIONS

- A. Wholesale.....
- B. Long Term Residential Rentals.....
- C. Outside municipality.....
- D. Senior citizens with CBS exemption card.....
- E. Government agencies.....
- F. Government supported exempt agencies.....
- G. Sales over the taxable limit .....
- H. Other exemptions -attach list- .....

# Exemption F : Government Supported Exempt Agencies

SGC 4.09.100

V. Government-Funded Agencies. 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 are exempt from paying sales tax if they hold a tax exempt certificate.

This should match the tax exempt log that must be filled out by the tax exempt buyer for each tax exempt sale. Copies can be found [HERE](#).

## 3. LESS EXEMPTIONS

- A. Wholesale.....
- B. Long Term Residential Rentals.....
- C. Outside municipality.....
- D. Senior citizens with CBS exemption card.....
- E. Government agencies.....
- F. Government supported exempt agencies.....
- G. Sales over the taxable limit .....
- H. Other exemptions -attach list- .....

# Exemption G : Sales Over the Taxable Limit

SGC 4.09.100

N. Over \$3,000 on Sales and Rents of Tangible Personal Property and/or on Sales of Services, and Over \$3,000 in Rent or Lease of Real Property on a Monthly Basis. That portion of a selling price for a single piece of equipment or tangible personal property or sale unit in excess of \$3,000 is exempt.

## 3. LESS EXEMPTIONS

- A. Wholesale.....
- B. Long Term Residential Rentals.....
- C. Outside municipality.....
- D. Senior citizens with CBS exemption card.....
- E. Government agencies.....
- F. Government supported exempt agencies.....
- G. Sales over the taxable limit .....
- H. Other exemptions -attach list- .....



This line can be a little tricky for some. What we would like to know is the dollar amount for the sale price that is in excess of \$3,000.

**Example:** Mary sells a large paintings for \$4,525. She should charge sales tax on the first \$3,000 for each sale (5% \$150 & 6% \$180) because the amount paid over \$3,000 is exempt from taxation. On the blue tax return form Mary would write on line G. \$1,525 as this is the amount in excess of \$3,000 for each invoice that is tax exempt. If multiple transactions are made under this exemption you must add the excess amounts together. So, if Mary made another large sale, say \$3,200 her equation would look like this:

$(\$4,525 - \$3,000 = \$1,525 \text{ \& } \$3,200 - \$3,000 = \$200 \text{ So, } \$1,525 + \$200 = \$1,725 < \text{ this is the amount she would write on line G.})$

# Exemption G : Sales Over the Taxable Limit

SGC 4.09.100

Other exemptions include but not limited to:

- Lottery Tickets/Pull Tabs
- Newspapers
- Freight/Wharfage
- Medical/Veterinary Services
- Public Transportation
- Child/Adult Care
- Commission
- Fees (Bank, Court, Membership)
- Church Sales

## 3. LESS EXEMPTIONS

- A. Wholesale.....
- B. Long Term Residential Rentals.....
- C. Outside municipality.....
- D. Senior citizens with CBS exemption card.....
- E. Government agencies.....
- F. Government supported exempt agencies.....
- G. Sales over the taxable limit .....
- H. Other exemptions -attach list- .....

# Line 4: Total Exemptions

<i>H. Other exemptions -attach list- .....</i>	_____	_____
<b>4. TOTAL EXEMPTIONS</b>	(_____)	(_____)

Add up all exemptions\* (Lines A-H) and input number into ( \_\_\_\_\_ )

\* If you do not have any tax exempted sales put a 0 in this line

# Line 5: Net Taxable Receipts

2. TOTAL RECEIPTS (Add Lines A-C) \_\_\_\_\_

4. TOTAL EXEMPTIONS ( \_\_\_\_\_ )

5. Net Taxable Receipts  
(Line 2 less line 4)

6. Calculate Tax (multiply line 5 by tax rate)

\_\_\_\_\_

( \_\_\_\_\_ )

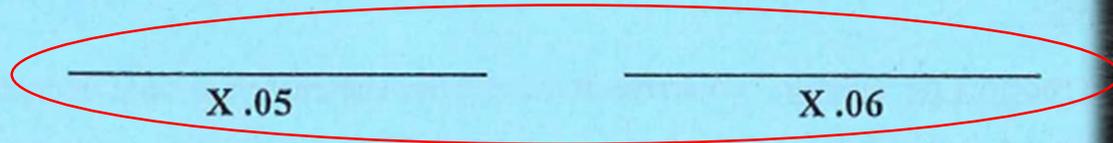
\_\_\_\_\_ X .05

\_\_\_\_\_ X .06

Total Sales

— Exempted Sales

Net Taxable Receipts



# Line 6: Calculate Tax

5. Net Taxable Receipts (Line 2 less line 4)	_____	_____
	X .05	X .06
6. Calculate Tax (multiply line 5 by tax rate)	_____	_____

Remit/Pay  
this amount  
by due date

**Line 6:** Is the Tax amount (\$) to remit to the City and Borough of Sitka.

Below is the basic equation to summarize the purpose of this form.

$$\text{Gross Sales} - \text{Exempted Sales} = \text{Net Taxable Receipts} \times \text{Tax Rate (5\% or 6\%)} = \text{Tax \$ to Remit}$$

# Line 7: Fish Box Tax

7. Fish Box Tax: \_\_\_\_\_ containers x \$10.00 sales tax \_\_\_\_\_

SGC 4.09.010 C. A flat rate of ten dollars per fish box shall be levied on the packaged fish and/or seafood caught or taken and retained by fish charter customers as part of the fish charter. This 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 tax is effective January 1, 2007. For purposes of this subsection, a “fish box” means any packaging by a fish charter operator or processor of fish and/or seafood caught or taken as part of the charter by a fish charter customer. The sales tax collected from this levy on fish boxes shall be deposited by the finance director in the following funds in the following ratios:

1. Thirty percent in the harbor fund;
2. Thirty percent in a fisheries enhancement fund, available to be used for any fisheries enhancement proposal upon approval of the proposal by the assembly; and
3. Forty percent in the general fund.

# Line 8: Subtotal Tax

8. Subtotal Tax (add line 6 columns 1 & 2 and Line 7).....	\$	_____
A. Less tax paid: first month .....		(_____)
B. second month.....		(_____)
C. Credit from previous returns.....		(_____)
D. Less discount 3% of line 8.....		(_____)

\*\* allowed only if timely monthly payments were made - maximum \$100

**Line 8:** Is the same number as line 6 unless business is remitting Fish Box Tax, then Line 8 = Line 6 + Line 7.

**Line 8 Sub-sections** (to be subtracted from Subtotal Tax amount) :

(A.) : Taxes remitted/paid in advance for the first month of the current filing quarter

(B.) : Taxes remitted/paid in advance for the second month of the current filing quarter

(C.) : Credit (usually from over payment) that remains on account and is available for use

(D.) : Discount\* option is only available for business's that make both monthly payments before the 15<sup>th</sup> of the following month (received or post marked)

\*Discount is calculated based on dollar amount of tax remitted multiplied by 3% (.03) – max discount \$100

# Line 9, 10, 11: Penalties for Late Filing and/or Payment

- 9. Add: Late Filing Fee: (\$15.00 for first month to \$100.00 - see back for schedule).....
- 10. Add: Penalty: (5% per month or part thereof to 25% - see back for schedule).....
- 11. Add: Interest: (12% of delinquent tax per annum).....

**Line 9:** If return (blue form) is not received or post marked by the due date a \$15 fee is charged on the next day for the first month.

Late Fee Schedule: 1<sup>st</sup> Month = \$15 Late Fee ; 2<sup>nd</sup> Month = \$40 ; 3<sup>rd</sup> Month = \$65 ; 4<sup>th</sup> Month = \$90.00 ; 5<sup>th</sup> Month = \$100

**Line 10:** If payment is not received or post marked by the due date a 5% penalty is charged on the next day for the first month.

Late Payment Penalty Schedule: 1<sup>st</sup> Month = 5% ; 2<sup>nd</sup> Month = 10% ; 3<sup>rd</sup> Month = 15% ; 4<sup>th</sup> Month = 20% ; 5<sup>th</sup> Month = 25%

**Line 11:** If payment is not received or post marked by the due date a 12% interest is charged on the next day and continues by day until payment is made.

Calculation: Sales Tax Remitted (\$) x (.12) x (# of days late) / (365) = Interest (\$) added for late payment

# Line 12: Amount Due from Previous Return

12. Amount due from previous return.....



**Line 12:** If, when you receive the blue form in the mail, there is a dollar amount in this field, this means the business owes tax remission from previous quarters.\* This must be paid along with tax remission for current quarter to avoid additional penalties and interest.

\*This should not be the first time seeing that the business has a outstanding balance. You should receive a letter in the mail after the conclusion of the quarter if tax is owed. The tax clerk usually makes a courtesy call before letters are sent. If there is an unpaid balance, it is subject to penalty and interest, calculated based on a percent of amount owed, until balance is paid in full.

# Line 13: Total Amount Due with Return

13. TOTAL DUE WITH RETURN..... \$ \_\_\_\_\_

**Line 13:** If you've followed the instructions up to this point the amount for Line 13 will be the amount that is required to be remitted. This line is the balance due as of the date of the return, if the return is late, this should line should include any late fees penalties and interests, less any pre-payments or discounts.

**Tax Payments cannot be made by Credit Card!**

**ONLY Check or Cash payments are accepted for tax remission.**

# IMPORTANT!

<p>Paid preparer _____ signature _____</p> <p>Printed Name _____</p> <p>Date _____ Contact phone # _____</p>	<p>I declare, subject to penalties prescribed by ordinance, that this return (including any attachments) has been examined by me and to the best of my knowledge is a true, correct and complete return.</p> <p>Signature of owner or agent _____</p> <p>Printed Name _____</p> <p>Email _____</p> <p>Date _____ Contact phone # _____</p>
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**SIGN HERE**

You **MUST** sign and date your return for the information to be valid. Also, please leave us a contact number or e-mail in case we have questions regarding your return.

# Need additional help?

**Kristy Crews**

Tax Clerk

907-747-1840

[salestax@cityofsitka.org](mailto:salestax@cityofsitka.org)

**Hannah Nelson**

Tax Accountant

907-747-1853

[Hannah.nelson@cityofsitka.org](mailto:Hannah.nelson@cityofsitka.org)



**City and Borough of Sitka**

100 Lincoln Street, 2<sup>nd</sup> Floor

Sales Tax Office

Sitka, Alaska 99835

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