



Volume 10, Issue 4
December 31, 2013



CITY AND BOROUGH OF SITKA

4th Quarter 2013

WISHING YOU A SUCCESSFUL NEW MARJORIE PARMELEE, CLERK

BUSINESS PERSONAL PROPERTY TAX RETURNS DUE FEBRUARY 15, 2014

Per Sitka General Code 4.12, a new exemption for business property was adopted in 2013 by the City and Borough of Sitka. There is now a \$25,000 exemption for business property which is deducted from the business's total property assessed value. **Note that if your business property is worth less than \$25,000, this filing is still required.** Failure to file this return is subject to a fee of \$100.00 per City and Borough Code.

Failure to submit the **Business Property Return** by February 15th, 2014 will cost you a fee of **\$100.00**.

Filing a Business Property Return by February 15th, 2014 will **exempt the first \$25,000 of your assessed value.**

For questions, please contact Assessing at (907)747-1822.

Resale Tax Exemption Cards

The applications for Resale Tax Exemption Cards have already been mailed out and for the qualified applications that we have received, cards for 2014 have also been mailed out. If you did not receive an application, you may obtain one on our web-site or in our offices; if you did not receive your cards, please contact us. Beginning in 2013, there is a fee of \$26.25 (\$25 application fee plus \$1.25 sales tax). Cards can't be issued if your account isn't current and/or you have not paid this fee.

All businesses must request to see a **current** resale card with a new number in order to not charge their customers sales tax in 2014. FOR IDENTIFICATION, the color of the resale cards are SALMON for 2014.

BE REMINDED if you do not have a current card for 2014, you will be required to pay sales tax on your purchases.

CIGARETTE TAX INCREASE FOR 2014

CIGARETTE AND TOBACCO PRODUCTS LICENSE EXPIRES DECEMBER 31, 2013

Per Sitka General Code 4.26.020(B), the cigarette tax will be adjusted yearly based upon the annual Consumer Price Index for the municipality of Anchorage from the United States Department of Labor Statistics and determined to be the percent change to the current year from the average of the first and second halves of the prior year, and will be effective January 1st of each year. This adjustment has not been made in prior years due to the insubstantial increase but has been determined to be applied for this year. **The new rate for 2014 shall be \$.0608 per cigarette (or 60.8 mills).**

Applications for renewal have been mailed out to those with existing licenses 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.

NO SALES TAX DAYS

Friday, November 29th and Saturday, November 30th, 2013 were adopted by the City and Borough of Sitka's Assembly as a no sales tax holiday for certain sales. Sales, except for fuel sales and those that are part of a continuing obligation on the buyer (i.e. phone, tv, utilities, etc.), are exempt from sales tax on these designated days.

Businesses need to **include these sales in your gross receipts in section 1 of your sales tax return and list this exemption on line 3H labeled "No tax day"**. If you have any questions, do not hesitate to contact our offices.

Yearly Filers

January is the time that businesses who have been granted yearly filing status need to file their sales tax return for the entire calendar year. Please complete your yearly tax return with all sales including residential rents and exemptions for the entire 2013 calendar year.

Yearly filers may also want to consider visiting our website and reading past newsletters for current happenings or you can always provide us with your email to receive correspondence and filing reminders. Email us at salestax@cityofsitka.com in order to get your email address on our electronic distribution list.

Gov't-Funded Non-Profit Agencies

Per SGC 4.09.100(v), 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 sales tax if approved. Agencies that qualified last year have already been sent an application. Agencies must complete the application, remit the \$25.00 application fee, and submit an annual report showing their qualifications. Upon approval, these agencies will be granted a tax exempt number for 2014. If you did not receive an application, they may be obtained on our website.

REMEMBER—if you are granting a tax exemption, the customer must have a city issued tax exempt number. The list of approved non-profits is listed below and updated regularly on our [website](#).

N14-107	Alaska Marine Safety Education Assoc.
N14-110	Center for Community
N14-102	River's Edge Property Inc.
N14-104	Sitka Economic Development (SEDA)
N14-101	Sitka Trail Works
N14-111	Sitkan's Against Family Violence
N14-108	Southeast Alaska Independent Living (SAIL)
N14-106	Southeast Region EMS Council
N14-105	Swan Lake Senior Center (Catholic Community Services)
N14-109	Youth Advocates of Sitka

TAX CAP REMINDER

On October 1, 2012, the sales tax "cap" increased to \$1,500.00 from the former \$1,000.00. Now the maximum tax charged per invoice would be \$75.00 during October through March (5% tax rate time) and \$90.00 during April through September (6% tax rate time).



4th Quarter, 2013

October, 2013

November, 2013

December, 2013

DUE January 31st

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