

Introduced by: City Manager
Date Introduced: February 13, 2001
Public Hearing Date: February 27, 2001
Action: None
Vote:

CITY OF BETHEL, ALASKA

ORDINANCE #01-11

AN ORDINANCE REVISING THE CITY OF BETHEL BUSINESS LICENSING CODE ESTABLISHING BIENNIAL LICENSING, REVISING FEES, CHARGES AND PENALTIES AND MAKING OTHER CHANGES

BE IT ORDAINED by the Bethel City Council that:

Section 1. Classification. This ordinance is permanent in nature and shall become a part of the Bethel Municipal Code.

BETHEL MUNICIPAL CODE

Chapter 4.16 **Sales and Use Tax**

4.16.040 Exemptions.

4.16.110 Monthly returns and payments.

4.16.040 Exemptions.

The following sales are exempt from the tax levied under this chapter.

- C. That portion of the selling price of a single sale unit in excess of ten thousand dollars, and that part of a periodic rental price of all types of property exceeding ten thousand dollars. The periodic rental price is the amount owed on a monthly or more frequent period; rentals with a payment period exceeding one month are computed for sales tax purposes as though payment were to be made on a monthly basis. That part of a selling price of a single sale unit in excess of three thousand Five Hundred Dollars for tangible personal property purchased locally from Bethel License holders that could be otherwise purchased outside of Bethel. These items include All Terrain Vehicles, Snow machines, boats and boat motors. The single sale unit exemption for the sale of Housing is that portion of the selling price in excess of fifty thousand dollars. Construction contracts and commercial structures sales are not exempt.

A sale the city is prohibited from taxing under the Constitution and laws of the United States or the Constitution and the laws of the state of Alaska. A sale directly to the State of the U.S. government is exempt, but a sale to an employee or contractor of the State or U.S. government is not exempt unless the State or U.S. government is directly liable to the seller for payment of the sale price. A sale that is not paid with government vouchers, purchase orders, treasury checks, or warrants is not exempt.

4.16.110 Monthly returns and payments.

A. For each separate business entity and location, a seller shall complete a city sales tax return reporting accurately and completely all information required on the form for all sales transactions occurring during the preceding year, quarter or month. Each sales tax return shall set forth the gross receipts of the business for the reporting period, including all taxable and nontaxable transactions; the amount of tax thereon; and such other information as the Finance Director may require. Each return shall be signed by a responsible individual who shall swear as to the completeness and accuracy of the information on the return.

B. Any seller who filed or should have filed a sales tax return for the reporting period shall file a return even though no tax may be due. This return shall show why no tax is allegedly due, and, if the business is sold, foreclosed upon or otherwise transferred to another person, the person to whom it was sold or transferred, the date it was sold or transferred and the address and telephone number of the person to whom it was sold or transferred. A seller who files a return for a month when no tax is due is not required to file returns thereafter until it has one or more taxable sales during a subsequent month.

C. Each sales tax return for a reporting period must be received at the office of the Finance Director or, if mailed with sufficient postage, be postmarked by the U.S. Postal Service with a readable postmark date, on or before the last day of the month following the period for which the return is required to be submitted. In the event that the due date is a Saturday, Sunday or state legal holiday, the sales tax return shall be received or postmarked on or before the next following business day. All taxes required to be collected, interest, penalty, costs and charges due shall be remitted with the sales tax return, whether or not the tax has been collected from the buyer.

D. Upon approval by the Finance Director, a seller who had less than \$24,000 in taxable sales during the preceding calendar year and who executes an affidavit in a form satisfactory to the Finance Director stating that the seller anticipates that it will have less than \$24,000 in taxable sales during the current or coming calendar year may file its sales tax return and payment of taxes on an annual basis for the current or coming year. Returns and taxes filed and paid on an annual basis must be received or postmarked not later than February 15 for the preceding calendar year. Penalties for the late filing of an annual return and for the late payment of taxes shall be double the rate applicable to monthly returns and interest shall accrue on late annual payments from July 1 of the preceding year. If the seller was in business during the preceding year, the Finance Director may approve an annual filing for a seller at any time during the current calendar year, but such approval is prospective only and may be given only upon payment by the seller of all taxes, penalties and interest due to the date of the approval.

E. If a complete return from a person reporting on a monthly or annual basis is accompanied by the entire tax due and is received by the city within the time allowed, the person collecting the tax may deduct and retain up to one percent of the tax due as

compensation for its costs of administration of the tax; however, the amount deducted and retained may not exceed \$75 for any month. (Ord. 98-27, §2(part), 1998)

F. Quarterly reporting is permitted provided the seller has submitted to the Finance Director an affidavit in a form satisfactory to the Finance Director stating that the seller anticipates that it will have less than \$250,000 in taxable sales during the current or coming calendar year and more than \$24,000.

ENACTED THIS ____ DAY OF FEBRUARY 2001, by a vote of * in favor and * opposed.

ATTEST:

Stanley "Tundy" Rodgers, Mayor

Colleen Soberay, City Clerk