

Introduced by: Bethel City Council
Date: July 13, 2004
Public Hearing: July 27, 2004
Action: Passed
Vote: 6-0

CITY OF BETHEL, ALASKA

ORDINANCE #04-11

AN ORDINANCE INCREASING THE SALES AND USE TAX RATES FROM FIVE PERCENT TO SIX PERCENT AND PLACING THE ISSUE ON THE OCTOBER 5, 2004 BALLOT

WHEREAS State revenue sharing funds to local communities are declining; and

WHEREAS City of Bethel municipal budget has also been scaled down, smaller than in previous years, with every effort being made to reduce spending; and

WHEREAS additional revenue is still needed to fund essential municipal services.

BE IT ORDAINED by the City Council of Bethel, Alaska, that:

SECTION 1. Classification. This ordinance is permanent in nature and shall be incorporated into the Bethel Municipal Code.

SECTION 2. Content. Bethel Municipal Code Section 4.16.030 is amended to read as follows (new language is underlined and deleted language is stricken out):

4.16.030 Imposition – rate. There is levied and shall be collected a sales tax on all sales transactions in the city unless specifically exempted under this Chapter. The tax is six ~~five~~-percent of the selling price.

SECTION 3. Content. Bethel Municipal Code Section 4.16.070 is amended to read as follows (new language is underlined and deleted language is stricken out):

4.16.070 Bracket collection schedule.

- A. Except as provided in subsections B and C, the sales tax shall be stated separately on all invoices, receipts and other documents of the sale. The tax shall be charged in accordance with the following schedule:

	Selling Price (inclusive) Amount of Sales Tax
<u>.01-.08</u> .01-.09	\$ -0- tax
<u>.09-.24</u> .10-.29	.01
<u>.25-.41</u> .30-.49	.02
<u>.42-.58</u> .50-.69	.03
<u>.59-.74</u> .70-.89	.04
<u>.75-.91</u> .90-1.09	.05
<u>.92-1.08</u> 1.10-1.29	.06
Amounts over <u>\$1.08</u>	6% 5% —of selling price rounded up to the nearest whole cent for each fraction of one half cent or more
1.29	

- B. When sales are made through devices such as service station fuel pumps that compute the amount due as the product is delivered, the seller may set the device to add the sales tax as the product sold is delivered. In doing so, the seller may set the device to add the tax in one cent increments in accordance with the schedule in subsection A or may set the device to add the tax as exactly six ~~five~~ percent of the price of the product as it is delivered. In either case where the tax is added as the product is delivered and the price of the sale, including the sales tax, is displayed on the device as the delivery is being made, the seller is not required to state the amount of the tax separately in an invoice or receipt, but shall place a notice on the device that the price shown includes the Bethel City sales tax.
- C. When a coin or bill operated device dispenses goods, permits one or more plays of a game or other entertainment, or permits a predetermined use of a device, equipment or place, the sales tax levied under this chapter shall be deemed to be included in the amount required to be deposited and shall be computed for purposes of collection, holding in trust, and paying over to the city by multiplying 0.05762 ~~0.04762~~ by the gross proceeds of each collection removed from the device by the seller. If the seller sells tokens or cards that are used to operate the devices, the gross proceeds shall be the sum of the cash removed from the devices plus the receipts from the sale of the tokens and cards.

SECTION 4. Content. Bethel Municipal Code Section 4.17.010 is amended to read as follows (new language is underlined and deleted language is stricken out):

4.17.010 Imposition and rate.

There is imposed a tax of six ~~five~~ percent of the selling price on the storage, use, or consumption of alcoholic beverages in the city. This use tax is levied upon the buyer and shall be collected and remitted as provided in this chapter.

SECTION 5. Election. The City Clerk shall place the following proposition on the October 5, 2004 ballot to be presented to the voters of the City of Bethel:

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Proposition

ONE PERCENT INCREASE IN BETHEL SALES AND USE TAX

Shall Ordinance #04-____ increasing the sales and use tax rate from five (5) percent to six (6) percent be enacted?

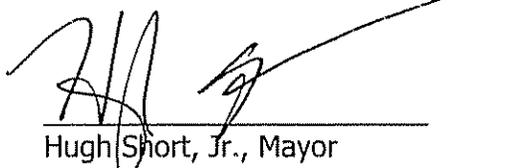
Yes

No

SECTION 5. Effective Date. Sections 1, 2, 3, and 4 and this Ordinance shall become effective January 6, 2004 if approved by a majority of the qualified voters voting on the question at the October 5, 2004 regular City of Bethel election. Section 5 shall become effective upon enactment.

ENACTED THIS 27th DAY OF July, 2004, by a vote of six in favor and none opposed.

ATTEST:



Hugh Short, Jr., Mayor



Selena Malone, Acting City Clerk