

## **CITY AND BOROUGH OF SITKA GENERAL INFORMATION ON THE COLLECTION AND FILING OF SALES TAX**

A city **business registration form** and **sales tax deposit** is required of anyone doing business or having a rental in the City and Borough of Sitka.

The amount of tax to be collected is 5% on all sales and services provided during the months of October, November, December, January, February, and March. The amount of tax to be collected is 6% on all sales and services provided during the months of April, May, June, July, August, and September. Rent paid in consideration of long term rentals (real property rented for 30 or more consecutive days or an entire calendar month by a single person or persons of a room, set of rooms, structure or suite) is taxed year round at a rate of 5%.

Returns must be filed quarterly with quarters ending March 31<sup>st</sup>, June 30<sup>th</sup>, September 30<sup>th</sup> and December 31<sup>st</sup>. You may make monthly sales tax payments and use the 3% discount up to \$100.00 if you desire however this still requires a quarterly return to be filed.

**\*\* Returns must be filed even if there is no business transacted in the particular quarter. \*\*** Minimum penalties up to \$100.00 are assessed on no tax due returns if delinquent.

Penalty and interest is charged on all late returns. Returns become delinquent one month following the end of the quarter. ( i.e., the quarter ending March 31<sup>st</sup>, is due at the city offices by the 30<sup>th</sup> day of April). Penalty is charged at 5% of delinquent tax per month up to 25% or minimum penalties of \$15.00 ranging as high as \$100.00. Interest is charged at 12% of delinquent tax per annum.

Instructions for filing are clearly stated on the back of the quarterly returns. Returns are mailed to you for completion no later than the last day of the quarter. If you do not receive a return by March 31<sup>st</sup>, June 30<sup>th</sup>, September 30<sup>th</sup> or December 31<sup>st</sup>, it is your responsibility to obtain one from the city offices.

Tax is only to be charged on the first \$1,000.00 of a single sale or billing unit, (i.e., if you sold a chair for \$1,100.00, you would only charge tax on the first \$1,000.00).

Senior citizens have tax exemption cards with numbers that they are required to show you for your records.

Government agencies are tax exempt.

Non-profit organizations are exempt from collecting sales tax on occasional sales or fund raising projects but are not exempt from paying sales tax on purchases, rents, or services rendered to them. This includes churches.

Itinerant businesses are required to remit tax in full prior to leaving the city and borough, or within 24 hours after expiration of their license.

Wholesalers who do not wish to pay sales tax must have completed a resale application to obtain a resale exemption card. This card must be presented to the retailer and the item wishing to be tax exempt must fall under the category listed on the card in order to qualify for tax exemption. The businesses not charging tax must maintain this number in their records to justify their exemptions on the sales tax return.

Changes of ownership or final returns must be filled out on the bottom of the quarterly return. A final return must be submitted no later than 15 days after selling the business. If you are just closing out the account you may wait until the end of the quarter.

Additional taxes that may apply and require filing separate quarterly returns include a 6% bed tax on short term rentals (less than 30 consecutive days) and a Drivers Facility Charge of 4% on rentals of motorized passenger vehicles.

If you have any questions concerning the above information, please feel free to contact the Sales Tax Division at (907) 747-1840.



Owner Information	Individual information is required on all owners of the business **		
	Last Name	First Name	Middle Initial
	Mailing Address		
	City	State	Zip
	Physical Address		
	City	State	Zip
	Work Phone	Social Security No.	
	Home Phone	Drivers License No.	State
Office or Title	Date of Birth		
Owner Information	Individual information is required on all owners of the business **		
	Last Name	First Name	Middle Initial
	Mailing Address		
	City	State	Zip
	Physical Address		
	City	State	Zip
	Work Phone	Social Security No.	
	Home Phone	Drivers License No.	State
Office or Title	Date of Birth		
Owner Information	Individual information is required on all owners of the business **		
	Last Name	First Name	Middle Initial
	Mailing Address		
	City	State	Zip
	Physical Address		
	City	State	Zip
	Work Phone	Social Security No.	
	Home Phone	Drivers License No.	State
Office or Title	Date of Birth		
Additional business Physical locations	All physical locations of business operations must be listed (including rentals)		
	Physical Address		
	Physical Address		
	Physical Address		
	Physical Address		
	Physical Address		
	Physical Address		
	Physical Address		

\*\* Attach additional owner or physical location information if necessary.