



City and Borough of Sitka

PROVIDING FOR TODAY...PREPARING FOR TOMORROW

A Coast Guard City

Request for Refund of Sales Tax Paid on Home Construction Materials

Name: _____ Date: _____

Mailing Address: _____

Street Address: _____

Phone Number: _____

Permit Issuance Date: _____

- Grading Permit
- Foundation Permit
- Building Permit

A copy of the permit **must** be included in refund package.

Final Inspection Date: _____

Total Refund Requested: _____

Submitted all eligible paid invoices and receipts from the date the permit was issued to (1) final inspection date or (2) date of occupancy, but in no case can it exceed two years from the permit issuance. Such invoices must be presented in an orderly fashion with the total amount of refund being applied for totaled.

I certify under penalty of perjury that I am the occupant of the newly constructed residence located at the street address indicated above. I further attest that the sales tax requested to be refunded was for items consumed in the construction of the dwelling or actually installed in the dwelling and that the tax has already been paid by me to the supplier.

Applicant's Signature

Date

4.09.110 Residence construction tax refund.

Upon proper application the city and borough will refund sales tax paid on the construction of an owner-occupied single-family dwelling or duplex.

- A. The dwelling must be a new dwelling unit, not merely an extension of an existing unit.
- B. At the time of refund application, no more than two years shall have passed since the issuance of either a grading permit, foundation permit, or building permit. The applicant may choose which permit issuance date begins the two-year period. No refund shall be made for items purchased prior to the issuance of the permit selected by the applicant. No sales tax paid to businesses outside of the city and borough shall be refunded.
- C. The refund shall be the amount of sales tax actually paid for materials and services used in the construction of the dwelling. This shall include lumber, building materials, electrical and plumbing supplies or services, furnace and other heating apparatus and permanent carpeting and major appliances, such as kitchen stove, refrigerator, washer, dryer and freezer. Items not included are throw rugs, televisions, furniture, drapery, pictures and minor appliances, not built into the building. Also not included are tools and machinery purchased to use in the construction of the dwelling, nor shall it include spare material(s) not used.
- D. Upon application for a refund the applicant shall certify, under penalty of perjury:
 - 1. The sales tax requested to be refunded has actually already been paid to the supplier;
 - 2. That all items for which a refund is requested were consumed in the construction of the dwelling or have actually been installed in the dwelling.
 - 3. That all services were used to prepare the lot for construction, construct the dwelling, or install materials in the dwelling.
- E. Applications for refund shall be made to the finance director and shall be supported by detailed invoices. Such invoices must be presented in an orderly fashion with the total amount of refund being applied for totaled. The finance director will disallow unsupported application or portions thereof. Appeals may be made to the assembly.
- F. Only one refund will be issued in conjunction with the same building permit. If a builder chooses to apply for a refund prior to completion of construction during the two-year period commencing with the issuance of the building permit and subsequently incurs additional construction costs after the issuance of a refund, sales taxes paid on those additional costs will not be refunded, even if incurred within two years after the issuance of the building permit.
- G. If a noncontractor home builder completes and sells a home prior to the end of the two-year time period for refunds, the amount of applicable sales tax will be deducted from the amount of the refund. This is the amount of sales tax applicable to the sale of the home in effect at that time.

(Ord. [14-08](#) § 4, 2014; Ord. [12-46A](#) § 4 (part), 2013; Ord. [03-1758](#) § 4(B), 2004.)