

# Potential Sales Tax Free Days for 2024

**Friday, November 29**

**Saturday, November 30**



**I MOVE** to authorize \_\_\_\_date(s)\_\_\_\_ as Sales Tax Free day(s) for 2024 noting the sales tax free day(s) will not be applicable to any sale of fuel, alcoholic beverages, tobacco products, and marijuana, nor affect any sale which is part of a continuing obligation of the buyer to pay the seller over time.

#### **4.25.020 Collection of tax.**

A. The tax described in Sections 4.25.010(A) and (D) is imposed on the purchaser and must be collected by the seller and paid to the city and borough of Sitka by the seller as provided in Section 4.25.270. The seller holds all taxes collected in trust for the city and borough of Sitka. The tax must be applied to the sales price.

B. The assembly at their first meeting of September each year shall consider whether to authorize any sales tax free day(s) that have historically followed Thanksgiving. If authorized, the sales tax free day(s) will not be applicable to any sale of fuel, alcoholic beverages, tobacco products, and marijuana, as such are defined in this code, nor affect any sale which is part of a continuing obligation of the buyer to pay the seller over time.

### 4.25.010 Levy of sales tax.

- A. There is levied a consumer's sales tax on sales, rents, and leases made in the city and borough of Sitka. This tax applies to sales, rentals, and leases of tangible personal property; sales of services sold within the city and borough of Sitka; sales of services performed wholly or partially within the city and borough of Sitka when the provision of such services originates or terminates within the city and borough of Sitka; and rentals and leases of real property located within the city and borough of Sitka. Notwithstanding any provision of law, air or sea charter services, provided a person or entity in the business of providing such charter services, are exempt from sales tax by the city and borough of Sitka if the charter does not commence and end within the city and borough of Sitka.
- B. The rate of levy of the sales tax levied under subsection A of this section is five percent on sales made during the months of October, November, December, January, February, and March. The rate of levy of the sales tax levied under subsection A of this section is six percent on sales made during the months of April, May, June, July, August, and September. The revenue generated by the one additional percentage point shall be dedicated to fund either directly or by paying debt service on the maintenance, repair, replacement and/or construction of school building infrastructure.
- C. A flat rate of \$10.00 per fish box shall be levied on the packaged fish and/or seafood caught or taken and retained by fish charter customers as part of the fish charter. This tax shall be paid by the fish charter customer, collected by whoever packages the fish and/or seafood caught or taken by the fish charter customer, and is in addition to any sales tax paid based on the cost of the charter. This tax is effective January 1, 2007. For purposes of this subsection, a "fish box" means any packaging by a fish charter operator or processor of fish and/or seafood caught or taken as part of the charter by a fish charter customer. The sales tax collected from this levy on fish boxes shall be deposited by the finance director in the following funds in the following ratios:
1. Thirty percent in the harbor fund;
  2. Thirty percent in a fisheries enhancement fund, available to be used for any fisheries enhancement proposal upon approval of the proposal by the assembly; and
  3. Forty percent in the general fund.
- D. In place of the consumer's sales tax levied in subsection A of this section, there is levied a consumer's sales tax on sales made in the city and borough of Sitka of marijuana, as "marijuana" is defined in AS 17.38.900(10), and marijuana products, as "marijuana products" is defined in AS 17.38.900(15). The rate of levy of the sales tax under this subsection is six percent on sales made during the first year, starting on January 1, 2023, and eight percent on sales made during the second year and each year thereafter. The sales tax collected under this subsection shall be deposited by the finance director into the student activities fund. Each year during the annual budget process an appropriation from the student activities fund will be made based on projected annual revenue and the funds appropriated will be transferred to the Sitka school district. This funding will be restricted to the support of extracurricular student activities and associated travel costs.
- E. Except as provided in subsections C and D of this section, all moneys accumulated under the terms of this chapter shall be deposited by the finance director in the general fund of the city and borough of Sitka and shall be

used for the general operating expenses of the city and borough of Sitka in such a proportion as deemed advisable from time to time by the assembly. (Ord. 23-15 § 4, 2023; Ord. 23-14 § 4, 2023; Ord. 22-12S § 4, 2022; Ord. 12-46A § 4, 2013; Ord. 09-55 § 4, 2009; Ord. 06-38 § 4, 2006; Ord. 03-1758 § 4(B), 2004; S.G.C. § 4.09.010.)

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**The Sitka General Code is current through Ordinance 24-14, passed June 11, 2024.**

Disclaimer: The city and borough clerk's office has the official version of the Sitka General Code. Users should contact the city and borough clerk's office for ordinances passed subsequent to the ordinance cited above.

City and Borough Website: [www.cityofsitka.com](http://www.cityofsitka.com)

Hosted by General Code.