

**CITY AND BOROUGH OF SITKA**

**ORDINANCE NO. 2011-14**

**AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA  
AMENDING THE SALES TAX EXEMPTIONS AT SITKA GENERAL CODE  
SUBSECTIONS 4.09.100G, O, AND W REGARDING SALES TO  
GOVERNMENTAL AGENCIES, SCHOOL SALES, AND CHILD CARE FOR  
CLARIFICATION &/OR EXPANSION PURPOSES, DELETING SUBSECTIONS  
4.09.100R, T AND Z REGARDING TELEPHONE AND TELEGRAPH, LONG  
TERM MOTOR VEHICLE AND EQUIPMENT RENTALS, AND FINE ARTS  
CAMP HOUSING EXEMPTIONS, AND DELETING THE "BED TAX"  
EXEMPTION AT SITKA GENERAL CODE SECTION 4.24.050 ENTITLED  
"EXEMPTION OF HOUSING FOR STUDENTS ATTENDING  
THE SITKA FINE ARTS CAMP"**

1. **CLASSIFICATION.** This ordinance is of a permanent nature and is intended to become a part of the Sitka General Code ("SGC").

2. **SEVERABILITY.** If any provision of this ordinance or any application to any person or circumstance is held invalid, the remainder of this ordinance and application to any person or circumstance shall not be affected.

3. **PURPOSE.** The purpose of this ordinance is to amend the sales tax exemption provisions at SGC 4.09.100G, O and W for clarification and expansion purposes, regarding exempt sales to governmental agencies, regarding school sales, and for child care services. The expansion provisions include expanding the exemption from just sales of school food to all sales related to school fund raising, and making both child and adult dependent care services exempt. This ordinance also repeals the sales tax exemptions in SGC 4.09.100R, T and Z regarding telephone and telegraph, long term motor vehicle and equipment rentals, and Sitka Fine Arts Camp housing, as well as repealing a corresponding exemption under the "bed tax" provisions at SGC 4.24.050 entitled "Exemption of Housing for Students Attending the Sitka Fine Arts Camp."

4. **ENACTMENT.** NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that: (A) the title &/or content is amended regarding sales tax exemptions in SGC 4.09.100G, O and W, and the sales tax exemptions in SGC 4.09.100R, T and Z are repealed; and (B) "bed tax" exemption in Section 4.24.050 entitled "Exemption of Housing for Students Attending the Sitka Fine Arts Camp" is repealed. The

1 amendments and repealed sections/subsections read as follows (new language underlined;  
2 deleted language stricken):

3  
4 A. Amendments and repeal of certain subsections in SGC 4.09.100 entitled  
5 “Exemptions.”

6  
7 **4.09.100 Exemptions.**

8 The following sales are exempt from taxation:

9 \* \* \*

10  
11 G. Governmental Agencies. A sale directly to any Federal, State, or Municipal the  
12 ~~United States~~ government, ~~the state of Alaska~~ and its political subdivisions, ~~the city~~  
13 ~~and borough,~~ or any departments thereof, and Sitka Tribe of Alaska is exempt. ~~Any~~  
14 ~~sale made to Sitka Tribe of Alaska made on or after January 1, 2002, is exempt.~~

15 \* \* \*

16  
17 O. School Sales. The following sales are exempt:

- 18  
19 1. Retail sales, rentals, or services at a school-approved activity by a  
20 school-approved group raising funds for a school-approved purpose.  
21  
22 2. Retail sales in school cafeterias of food or beverages to school  
23 employees and students only, and not to the general public.  
24  
25 3. As used in this subsection, school means a public or private primary  
26 school, secondary school, or university. This section does not exempt  
27 tutor services.

28  
29 ~~Public Food. The sale of food and beverages to the public in a school district~~  
30 ~~or college cafeteria or lunchroom which are operated primarily for teachers and~~  
31 ~~students and not for profit is exempt.~~

32 \* \* \*

33  
34 R. DELETED. ~~Telephone and Telegraph. Telephone conversations and telegraph~~  
35 ~~messages are exempt. Telephone service to subscribers residing within the city and~~  
36 ~~borough is taxable.~~

37 \* \* \*

38



**PASSED, APPROVED, AND ADOPTED** by the Assembly of the City and Borough of Sitka, Alaska this \_\_\_\_\_ day of \_\_\_\_\_, 2011.

**ATTEST:**

**Colleen Ingman, MMC  
Municipal Clerk**