Sponsor: Administrator

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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.

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regarding sales tax exemptions in SGC 4.09.100G, O and W, and the sales tax exemptions in SGC 4.09.100R, T and Z are repealed; and (B) "bed tax" exemption in Section 4.24.050 entitled "Exemption of Housing for Students Attending the Sitka Fine Arts Camp" is repealed.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1	amendments and repealed sections/subsections read as follows (new language underlined;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):
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4	A. Amendments and repeal of certain subsections in SGC 4.09.100 entitled
5	"Exemptions."
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7	4.09.100 Exemptions.
8	The following sales are exempt from taxation:
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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	* * *
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17	O. School Sales. The following sales are exempt:
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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. <u>DELETED</u> . 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	

1	T. <u>DELETED</u> . Long-Term Motor Vehicle and Equipment Rentals. The long-term
2	lease or rental of motor vehicles and equipment is exempt. "Long-term" is defined as
3	being a period of at least thirty consecutive days.
4	
5	* * *
6	W. Child Care. The sale of child care services is exempt. Child and Adult
7	Dependent Care. The sales of services for child day care, pre-elementary school care,
8	babysitting services, and adult dependent care are exempt.
9	* * *
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11	Z. <u>DELETED</u> . Exemption of Housing for Students Attending the Sitka Fine Arts
12	Camp. Housing for students attending the Sitka Fine Arts Camp is exempt from the
13	sales tax.
14	
15	* * *
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17	B. Repeal of SGC 4.24.050 entitled "Exemption of housing for students attending the
18	Sitka Fine Arts Camp."
19	
20	Chapter 4.24
21	HOTEL, MOTEL AND BED AND BREAKFAST TRANSIENT ROOM TAX
22	Sections:
23	4.24.010 Definitions.
24	4.24.020 Imposition of hotel, motel, bed and breakfast transient room rental tax.
25	4.24.030 Collection and accrual.
26	4.24.040 Transient room tax audits.
27	4.24.050 Exemption of housing for students attending the Sitka Fine Arts Camp.
28	4.24.060 Confidential and nonconfidential tax information.
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30	* * *
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32	4.24.050 Exemption of housing for students attending the Sitka Fine Arts Camp.
33	The provision of housing to students attending the Sitka Fine Arts Camp is exempt
33 34	The provision of housing to students attending the Sitka Fine Arts Camp is exempt from the tax levied in this chapter, which is commonly called "the bed tax."

l	5. EFFECTIVE DATE. This ordinance shall become effective January 1, 2012.
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3	PASSED, APPROVED, AND ADOPTED by the Assembly of the City and
1	Borough of Sitka, Alaska this day of , 2011.
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7	Cheryl Westover, Mayor
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)	ATTEST:
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2	Colleen Ingman, MMC
	Municipal Clerk