



CITY OF WASILLA Code Ordinance

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ORDINANCE SERIAL NO. 90-05

AN ORDINANCE OF THE CITY OF WASILLA, ALASKA SETTING FORTH THE REGULATIONS, PROCEDURES, AND PENALTIES PERTAINING TO THE COLLECTION OF A SALES TAX IN THE CITY OF WASILLA.

BE IT ORDAINED AND ENACTED BY THE VOTERS OF THE CITY OF WASILLA, ALASKA AS FOLLOWS:

SECTION I. Classification. This ordinance is of a general and permanent nature and shall become a part of the Wasilla Municipal Code.

SECTION II. Purpose. To establish a Sales Tax within the City limits of Wasilla.

SECTION III. Enactment. Chapter 6.50 is hereby enacted as follows:

CHAPTER 6.50

SALES TAX

SECTIONS:

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- 6.50.020 Definitions
- 6.50.030 Tax Levied - Rate
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Nonexclusive
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6.50.010 Statutory Authority. This sales tax is imposed and collected pursuant to the authority granted by Alaska Statutes (Section 29.45.700 et seq.).

6.50.020 Definitions.

- A. "Bulk Sales" means sale of unpackaged items in large quantities.
- B. "Buyer" includes persons who are purchasers of property and services and lessees of property.
- C. "Distraint" means to seize and hold property as security for a debt.
- D. "Mail order sales and sales made by personal solicitation" means sales to consumers made by mail order houses or other sellers having a place of business within the City or having a place of business elsewhere, but who solicit sales within the City, are taxable if the order is accepted within the City and delivery is made by the seller at such place of business or elsewhere within the City.
- E. "Medical Services" means hospital services and medical services performed by the following persons duly licensed by the State for the providing of such services: medical doctors, dentists, osteopaths, optometrists, chiropractors, and psychologists; retail sales of medicinal preparations, drugs or appliances under a written prescription from one of the foregoing.
- F. "Person" includes individuals and every person recognized in law, and every group of the aforesaid who act as a unit.
- G. "Rents" includes every letting or renting of property for consideration.
- H. "Retail Sale" means the transfer of title to tangible personal property for consumption or use, and not for resale, in substantially the same form or condition. "Retail Sale" includes every sale of property, regardless of quantity or price, except the following:
 - 1. Sales to wholesale and retail dealers in the property sold, for the purpose of resale within the City by such dealer;
 - 2. Sales of tangible personal property as raw materials to a person engaged in manufacturing for sale, which property becomes an ingredient or component part of the manufactured product or a container thereof,

or enters directly into the manufacturing container thereof, or enters directly into the manufacturing process. A building or construction contractor or subcontractor is not a "person engaged in manufacturing."

I. "Sale" includes all retail sales, rentals and all services. Installment, credit and conditional sales are included within the term.

J. "Sales Price" means consideration paid by the buyer in terms of money and, in the case of a sale involving an exchange of property, the fair market value of the property exchanged, all without any deduction for delivery costs, taxes or any other expenses whatsoever.

K. "Seller" includes persons or their agents who are vendors of and lessors of property, and persons furnishing services, and every person making sales.

L. "Services" includes all services of every manner and description which are performed or furnished for compensation and, by way of illustration, includes the following:

1. Professional services;
2. Services in which a product or sale of property may also be involved, including personal property made to order;
3. Utilities, repair, construction, transportation, banking, advertising, maintenance, recreation, amusement, contracting and craftsman's services;
4. Services rendered for compensation by any person who furnishes any such service or services in the course of his business or occupation, who has a state or City business license and whose gross revenue exceeds one thousand five hundred dollars during the calendar year of January 1st to December 31st;
5. Services wherein labor and materials are used to accomplish a specified result;
6. Services dispensed by machines and amusement devices including those which are coin-operated;
7. "Services" does not include services rendered to an employer by his employee.

6.50.030 Tax Levied - Rate.

A. A retail sales tax of two percent of the sales price or charge received is levied on all retail sales, rentals and services made within the City. The buyer shall pay the tax to the seller for the use and benefit of the City.

B. Maximum Tax. A two percent retail sales tax shall be applied only to the first five hundred dollars of each separate sale of an item or

items, rent or service transaction. The payment of rent, whether for real or personal property, in excess of five hundred dollars and for more than one month shall be treated as several separate transactions covering the rental for one month each. A transaction involving payment for services or personal property to be rendered or delivered over a period of more than one month for a consideration in excess of five hundred dollars shall be treated as several separate transactions occurring one each month over the period of time that the service or property is rendered or delivered.

C. For purposes of the tax levied by this section, a sale of tangible personal property is made within the City if:

1. The sale is made by a business located within the City and delivery occurs within the City;
2. The sale is made by a business located outside of the City and delivery occurs within the City.

D. The tax levied by this section is applicable to all services rendered within the City, notwithstanding the fact that the business may be located outside of the City or that solicitation or payment may have occurred outside the City.

E. The sales tax on rentals is applicable to rentals for all real property located within the City and to rentals of personal property from a business within the City and from a business located outside the City when the personal property is used in the City.

6.50.040 Examples of Taxed Transactions. Illustrative examples of transfers of ownership or possession, and rendering of services, which are taxed under this chapter include, but are not limited to, the following:

A. Rentals of all tangible personal property, including vending machines, typewriters, office furniture and equipment, tools, automobiles, construction equipment and aircraft, including all maintenance and repair contracts in connection therewith;

B. Supplying natural or artificial gas, cable T.V., Electricity, Ice, Telephone, Garbage Removal, Sewer Service, Steam, Water and all services by a public or private utility;

C. Transportation for hire of persons by common carrier, including motor transportation, taxicab companies and all other means of transportation for hire;

D. Service by telephone and electric companies to subscribers or users, including transmission of messages, whether local or long distance. This shall include all services and rental charges having any connection with telephone service, but shall not include deposits;

E. Printing or printed matter of all types, kinds and characters and

the service of printing or overprinting;

F. Renting rooms or living quarters or offices or other commercial space of whatever name or nature by hotels, apartments, roominghouses, public lodginghouses or by firms or individuals renting single or multiple-unit residences or offices or other commercial space, including state or federally subsidized rentals. For purposes of computing the maximum tax, a rental of property for a period in excess of one month shall be deemed as a series of rentals with each rental transaction terminating as a rental payment is made. The maximum sales tax payable shall be applicable to each deemed rental with tax payments to accrue and become payable at the time of filing the next monthly return to be submitted following receipt of the rental;

G. Foods, confections, and all liquors, beverages and drinks sold and dispensed by retail stores, restaurants or other dispensers, and sold for immediate consumption upon the premises or delivered or carried away from the premises for consumption elsewhere;

H. Advertising of all kinds, types and characters contracted for or sold in the City, including any and all devices used for advertising purposes and the servicing of advertising devices;

I. Gross proceeds derived from the operation of punchboards, slot machines, marble machines, jukeboxes, merchandise-vending machines or amusement devices of any kind, and self-service laundry and drycleaning machines;

J. The sale of tickets or admissions to places of amusement, entertainment, recreational or athletic events, or dues or fees for the privilege of having access to or use of amusement, entertainment, athletic or recreational facilities, including free or complimentary passes and tickets, admissions dues or fees. Such free or complimentary passes and tickets, dues or fees are declared to have a value equivalent to the sale price or value of the tickets, passes, admissions dues or fees;

K. Sales of tangible personal property and services made for the purpose of developing and improving real estate, even though such real estate is intended for resale as real property. Subject to the limitations set forth in Section 6.50.060 herein;

L. Services of drycleaners, laundries, garages, barbershops, beauty shops and cold storage and locker plants;

M. Retail sales of motor fuels, oils and lubricants;

N. Services rendered by lawyers, accountants, shoe repair shops, carpenters and cabinetmakers, house painters and decorators, tinsmiths and sheet iron workers, watchmakers, radio and television advertising, photographers (including all film development), printing establishments, garages, mechanics and machinists, plumbers and electricians, welders and stove cleaners, and services of all other tradespersons, craftspersons and

Professional practitioners.

6.50.050 Exceptions. The tax levied shall not apply to the following:

- A. Casual and isolated sales of personal property not made in the course of business;
- B. Sales of insurance and bonds of guaranty and fidelity;
- C. Gross receipts or proceeds derived from the transportation of students to and from grade or high schools in motor or other vehicles;
- D. Sales, services, and rentals to a buyer or made by a seller, organized and administered solely by the exempt organization that has obtained a 501(c)3 or 501(c)4 exemption certificate from the Internal Revenue Service and an exemption certificate from the City; provided, this exemption applies to sellers only if the income from the exempt sale is exempt from federal income taxation.
- E. Gross receipts or proceeds derived from the sale of food in public, common, high school or college cafeterias or lunchrooms operated primarily for the public and not operated for profit;
- F. Gross receipts or proceeds derived from sales or services which the municipality is prohibited from taxing under the laws of the State or under the laws of the United States; or gross receipts or proceeds from the transportation, loading, unloading or storing of cargo from vessels or aircraft in foreign or interstate commerce, or on goods in transit or awaiting and being processed for shipment;
- G. Gross receipts or proceeds derived from carrier sales made directly to consumers or users of newspaper or any other periodicals;
- H. Gross receipts or proceeds derived from sales to the United States Government or the State or any political subdivision thereof, including the City of Wasilla;
- I. Dues or fees to clubs, labor unions or fraternal organizations;
- J. Real estate agent's gross receipts received on behalf of the owner and derived from sale of real property, but excepting the real estate agent's fee earned as commission for sale of such property which fee or commission shall be taxable up to the first five hundred dollars of the commission;
- K. Sales of tickets for school entertainments, school athletic events, and activities conducted for charitable purposes or community benefits;
- L. Bulk sale of feed, seed and fertilizer to farmers;
- M. Interstate air, train and boat fares;

N. Sales of food supplies to cafes, restaurants and other establishments where food is sold to the public for use in the normal course of business of cafes, restaurants and other such establishments;

O. Sale of food supplies to hospitals, institutional homes having six or more charges, recreational camps and schools, provided a certificate authorizing such exemption is first obtained from the City;

P. The maximum tax on contracts for the original construction of private buildings or private residences or sale of equipment shall be ten dollars; and even though the single sale of those articles of tangible personal property may run to several thousands of dollars, only the first five hundred dollars shall be subject to tax as set forth in Section 6.50.060 herein;

Q. Services by an individual which do not exceed one thousand five hundred dollars per calendar year of January 1st to December 31st and are not licensed by the State;

R. Sales of food supplies or other goods purchased with food coupons, food stamps, or other certificate issued under 7 USC 2011-2025 (Food Stamp Act) or 42 USC 1786 (Special Supplemental Food Program);

S. Residential rentals other than rentals to transients who occupy or rent a suite, room, or rooms in a hotel-motel for fewer than thirty consecutive days for the purpose of habitation;

T. Child day care, pre-elementary school and baby-sitting services;

U. Sale of cemetery plots, caskets, funeral and burial related items and services by a funeral home.

V. The sale of goods and services performed in the course of and necessary in the mental or physical treatment by health care providers licensed by the State of Alaska, including midwives, and the sale of goods and services performed pursuant to a prescription or written order from any of the above;

W. Sales and rentals of hearing aids, crutches, wheelchairs and personal property specifically manufactured for a patient.

6.50.060 Special Collection for Building Construction. For the purpose of facilitating the collection of the tax and for the convenience of the buyer, the following special application shall prevail:

A. The buyer who proposes to undertake the original construction of private building or buildings within the City may, at the time of making application for and receiving the building permit, pay the maximum tax required. The subsequent showing of the tax receipt then issued shall exempt the buyer for a period not to exceed one year from paying any further tax in purchasing for the project for which the permit has been issued. Showing of such receipt, which shall not be transferable, at the

Some of the purchase of goods, materials or articles will be sufficient to permit the purchase of the goods, materials or articles without further payment of tax and will relieve the seller of the obligation to collect the tax.

B. In the event that the building or buildings for the project are to be erected outside of the City, then the buyer may pay the tax directly to the City and receive a receipt which shall be considered by the seller as prima facie evidence of the previous payment of such tax for any purpose for the particular project described on the tax receipt. Showing of such receipt at the time of purchase of goods materials or articles without further payment of tax will relieve the seller from the obligation to collect the tax.

C. In the event that any other single building project, other than those buildings or construction for which a building permit would be required, is contemplated, requiring miscellaneous purchasing from more than one seller, the buyer may, in order to avoid the payment of multiple taxes, obtain from the City a receipt showing the maximum payment of the tax and the description of the project. The showing of such receipt at the time of purchase of goods, materials or articles will be sufficient to permit the purchase of goods, materials or articles without further payment of tax and will relieve the seller from the obligation to collect the tax.

6.50.070 Seller Accountability. Upon collection by the seller of the taxes imposed in this chapter, title to the collected taxes shall vest in the City. All taxes collected are City monies, and the seller is at all times accountable to the City for such monies. Collection of any tax or taxes, interest and penalties due and payable to the City under this chapter may be enforced through civil action brought in any court of competent jurisdiction. Every sale which is made within the City, unless explicitly exempted by this chapter or a subsequent ordinance, shall be presumed to be subject to the tax imposed under this chapter in any action to enforce the provisions of this chapter.

6.50.080 Tax Returns - Contents - Penalty for Delinquency.

A. Every seller, on or before the tenth day of each month, shall make out a return for the preceding month, upon forms to be provided by the City, setting forth the amount of all sales, rentals and services, all nontaxable sales, rentals and services, and all taxable sales, rentals and services for the preceding month, the amount of tax thereon, and such other information as the City may require, and sign and transmit the same to the City. The tax levied shall be paid by the seller to the City at the time of transmitting the return, and, if not so paid, such tax shall forthwith become delinquent. Interest at the rate of fifteen percent per annum on the delinquent tax from the date of delinquency until paid shall accrue and be collected in the same manner as the delinquent tax is collected.

B. All tax returns shall show such further information as the City may require to enable it to compute correctly and collect the tax levied in this chapter. In addition to the information required on returns, the City may request, and the seller must furnish, any information deemed necessary

For a correct computation of the tax. The seller shall compute and remit to the City the required tax due for the preceding month, and the remittance of the tax must accompany the returns herein required. If not paid when due, the tax shall be delinquent from such date, and collection shall be enforced under the terms of this chapter, as set forth in this chapter.

C. Sellers who timely comply with submission of a correct sales tax return, as required in this section (.080) shall be entitled to retain 2% (two percent) of the amount of the tax monies to be remitted to the City.

This right to retain a portion of the tax monies to be remitted is not available unless a complete and correct tax return is submitted by no later than the tenth day of each month (for sales tax collected in the preceding month). Submission of a return is defined as actual delivery to the City or placing the return in the mail for delivery to the City. Should the tenth day of the month fall on a weekend or holiday, the following business day shall be deemed the tenth day of the month for the purposes of this subsection.

6.50.085 Information to be Confidential. Except as otherwise provided in this chapter, all returns, reports and information required to be filed with the City under this chapter, and all information deductible from such filed returns, reports and information shall be kept confidential and are not subject to public inspection. Except upon court order, such returns, reports and information shall be made available only to employees and agents of the City whose job responsibilities are directly related to such returns, reports and information; to the person supplying such returns, reports, and information and to persons authorized in writing by the person supplying such returns, reports and information. The following information shall be made available to the public: The name and address of current business license holders; whether a business license holder is more than thirty days delinquent in filing returns and in remitting sales tax; and if so delinquent, the amount or estimated amount of sales tax due and the number of returns not filed. The City Manager or his designee may, from time to time, publish the names of sellers delinquent in remitting sales taxes and the amount thereof. Information may also be made available to the public in the form of statistical reports if the identity of particular sellers is not revealed by the reports.

6.50.090 Tax Records - Final Tax Return. It shall be the duty of every seller required to make a return and pay over any tax under this chapter to keep and preserve suitable records of the gross daily sales together with invoices of purchases and sales, bills of lading, bills of sale and other pertinent records and documents which may be necessary to determine the amount of tax due under this chapter and such other records of goods, wares, merchandise and other subjects of taxation under this chapter as will substantiate and prove the accuracy of such returns. It shall also be the duty of every seller who makes exempt sales to keep records of such sales, which shall be subject to examination by the City or any authorized employee thereof while engaged in checking or auditing the records of any seller required to make a report under the terms of this

Chapter. All such records shall remain in the City and be preserved for a period of three years after payment of the taxes, unless the City has authorized, in writing, their destruction or disposal at an earlier date, and shall be open to examination at any time by the City or any authorized employee thereof while engaged in checking such records. The burden of proving that a sale, rental or service was not taxable shall be upon the seller.

Any seller who filed or should have filed a sales tax return for the prior month shall file a return for the current month even though no tax may be due. This return shall show why no tax is due and, if the business is sold, the name of the person to whom it was sold. If any seller sells, leases or otherwise disposes of his business, he shall make a final sales tax return within fifteen days after the date of sale; and the purchaser, successor or assign shall withhold a sufficient portion of the purchase price to safely cover the amount of such sales tax, penalties and interest as may be due and unpaid to the City until such time as the former owner has produced a receipt from the City showing that all tax obligations imposed by this chapter have been paid; and further provided, if any purchaser of a business fails to withhold from the purchase money as provided for in this section, he shall be personally liable for the payment of the taxes, penalties and interest accruing and unpaid to the City on account of the operation of the business by the former owner, owners or assigns.

6.50.100 Collection Upon Sale. The tax levied under this chapter shall be paid by the buyer, and it shall be the duty of every seller to collect from the buyer the full amount of the tax, except that the tax on receipts or proceeds from various mechanical devices as provided in Section 6.50.150 shall be paid by the operator thereof. Every seller shall add the amount of the tax levied by this chapter to the total sale price, and the tax shall be stated separately on any sales receipts or slips, rent receipts, charge tickets, invoices, statements of account or other tangible evidence of sale. The tax shall constitute a part of such price and shall be a debt from the buyer to the seller until paid and shall be recoverable at law in the same manner as other debts.

6.50.110 Tax Rate. Sellers may collect an amount up to the amount shown in this schedule:

	<u>Tax</u>
Under \$.25	None
\$.25 through \$.64	\$.01
\$.65 through \$1.24	\$.02
\$1.25 through \$1.64	\$.03
\$1.65 through \$2.24	\$.04
\$2.25 through \$2.64	\$.05
\$2.65 through \$3.24	\$.06
\$3.25 through \$3.64	\$.07
\$3.65 through \$4.24	\$.08
\$4.25 through \$4.64	\$.09
\$4.65 through \$5.24	\$.10

Over \$5.24, continue on same scale up to five hundred dollars.

6.50.120 City Mayor Regulation Promulgation Authority. The City Mayor may take any action necessary or appropriate to the implementation of this chapter by promulgation of regulations which may include the adoption of forms. Such regulations or any proceedings adopted by the City Mayor are effective at the time indicated by him, but are subject to revision or repeal by the City Council at the next meeting following their effective date or at the time that the Council acts thereon.

6.50.130 Business License - Required. All sellers shall secure a City Business License as otherwise required in this code in connection with doing business in the City. The City business license must be prominently displayed at the place of business of every seller; any seller who has no regular place of business shall display such license upon request. Any such license must be surrendered to the City by the seller to whom it was issued upon the seller ceasing to do business at the location named in said license. If the business is continued at the same location but there is a change in its form of organization, such as from a single proprietorship to a partnership or a corporation, the admission or withdrawal of a partner, or any other change, the seller making such change shall surrender his old City business license to the City for cancellation. The successor seller is required to file a new application for a City business license, and, upon receipt of a proper application properly executed, a new City business license will be issued to such successor seller. When there is a change of location for the seller's place of business, a new business license is required showing the new address.

6.50.140 Business License - Requirements. Before issuing a business license to a seller, the City may require the applicant to post a bond, furnish a statement of net worth, or furnish additional security to insure the full and prompt payment of taxes to be collected under this chapter when in the judgement of the City Mayor it is in the interest of the City to do so. The business license of any seller is automatically suspended when such seller fails to pay delinquent taxes, penalty and interest within thirty days after notice of delinquency is given or mailed. It is unlawful for a seller to engage in sales without a current City business license or to engage in sales when such license is suspended.

6.50.150 Public Statement of Tax Required - Exception for Coin-operated Machines. A seller shall not advertise or hold out or state to the public or to any buyer, directly or indirectly, that the tax payment or any part thereof imposed by this chapter will be assumed or absorbed by the seller or that it will not be added to the sales price or that it will be refunded or absorbed in whole or in part. The seller shall, whenever feasible, separately state the tax to the buyer on each taxable transaction. When not feasible to state separately, the seller shall prominently display a sign indicating the imposition of the tax. The revenue from a coin-operated machine shall be treated in gross on a monthly basis, without reference to the amount paid or played on a particular transaction.

6.50.160 Liability for Payment - Certificate of Protest. A seller shall determine in the first instance whether a sale is exempt under this chapter; however, if the seller incorrectly determines that a sale is exempt, then the seller is liable to the City for the tax just as if he had collected it. In the event that the seller determines that a transaction is not exempt, but the buyer believes the transaction to be exempt, then the seller will furnish to the buyer a form of certificate of protest, available at the City, which shall be filled out by the buyer and delivered to the seller with the disputed tax. The certificate shall show the respective names and addresses of the seller and the buyer, the nature of the claim of exemption, and such other information as may be prescribed by the City. The seller shall remit to the City all certificates of protest delivered to him as promptly as possible but in any event no later than thirty days after delivery of the certificate to him, together with any additional information which the seller believes to be pertinent to the determination of the issue. The City Mayor, after consultation with the City Attorney, will rule on each protest and send to the buyer a notice that his claim has been allowed or disallowed within thirty days of receipt of the certificate by the City. If the claim has been allowed, a refund will be remitted with the notice. In the event the claim is disallowed, the buyer may seek judicial review thereof within thirty days, unless judicial review is sought within such time, the decision of the City Mayor is final.

6.50.170 Tax Return - Extension of Time. The City Mayor may, in his discretion, upon written application duly made, grant an extension of time for filing returns and remitting the tax each month to any seller, provided:

A. That such extension is a dire necessity for bookkeeping reasons and would avert undue hardship upon such seller; and

B. That such seller is not delinquent in any payment of tax or filing of returns or otherwise in violation of this chapter; and

C. Provided further, that no such extension shall be for more than twenty-one days each month.

No such extension shall be made retroactive to cover existing delinquencies.

6.50.180 Estimated Tax.

A. In the event that the City is unable to ascertain the tax due to be remitted by a seller by reason of the failure of the seller to keep accurate books, to allow inspection, failure to file a return or falsification of records, the City may make an estimate of the tax due based on any information available to it. Notice of the estimate of taxes due shall be furnished the seller, and the amount therein stated shall become final for the purposes of determining liability of the seller on the City in thirty days, unless the seller earlier files an accurate return, supported by satisfactory records, indicating a lesser liability. A seller shall immediately notify the City of any fire, theft or other casualty which would prevent his complying with this chapter. Such casualty

constitutes a defense to any penalty provided in this chapter, but does not excuse the seller from liability for taxes due. Accidental loss of funds or records is not a defense under this section.

B. Nothing in this section shall prevent the City from filing and maintaining an action to collect any taxes collected or which should have been collected in addition to any penalty assessed. In such action, the estimated tax due made by the City shall be prima facie evidence of the amount payable.

6.50.190 Delinquent Taxes - Notice. Whenever any seller fails to submit the required return, or such return is reasonably believed by the City to contain incorrect reporting, the City may notify such seller in writing by certified mail, return receipt requested, that a hearing will be held upon the matter at a specified place and time, which shall not be less than fifteen days after the date of such notice, at which time and place the seller shall present himself and make available to the City for inspection the seller's books, papers, records and other memoranda pertaining to gross revenue and the determination of sales tax liability, if any, and in the event of noncompliance by the seller the City may forthwith take such legal action as provided for in this chapter and the statutes of the State.

6.50.200 Delinquent Taxes - Lien.

A. If a seller who is liable to collect and pay over a sales tax under the provisions of this chapter neglects or refuses to pay the tax after notice of delinquency, the City shall have a lien for such amount (including penalty, interest and administration costs) upon all property and rights to property, real and personal, belonging to such seller. The lien arises at the time of delinquency and continues until the liability or the amount is satisfied or the lien is foreclosed.

B. The City may record a notice of lien. When the notice of lien is recorded, the lien has priority over other liens except those for property taxes and special assessments. The City may record subsequent notices of lien for amounts due after the recording of a previous notice of lien. The City may also record amended notices of lien to correct any errors or to provide notice of the then current principal amount owing.

C. The notice of lien for real property shall set out:

1. The name of the seller;
2. A description of the real property interest reputedly owned or held by seller;
3. The principal amount owing at a stated date; and
4. A statement that penalty, interest and administration costs are also owing.

D. Within ten days after recording the notice of lien or amended

Notice of lien, the City shall mail a copy of the notice by certified mail, return receipt requested, to the last known address of the seller.

6.50.210 Delinquent Taxes - Foreclosure - Time Limit. The City Attorney, at the request of the City Council, may file an action to foreclose the lien of the City for the tax upon property and rights to property, real or personal, and sell the same, applying the proceeds thereof to the payment of the tax, interest, penalty, administration costs and the costs of foreclosure. The action shall be commenced and pursued in the manner provided for the foreclosure of liens by AS. Sections 09.45.170 through 09.45.220; provided, however, upon commencement, the City shall provide written notice of the action to all persons having an interest of record in the property being foreclosed or persons in possession of the property. The action may be commenced at any time within six years after the lien arises.

6.50.220 Delinquent Taxes - Foreclosure - Sale of Property - Redemption.

A. The City Council may collect taxes, with interest and penalties, by distraint, seizure and private sale of the property of the seller who fails to pay them within ten days after service or mailing of the notice of delinquency. The Council may levy upon, or, by warrant issued by it, authorize any peace officer to levy upon, seize or sell all property, except that upon which the seller claims an exemption pursuant to law, belonging to the seller, for the payment of the amount due, with interest and penalty, for nonpayment, and also of a further amount sufficient for the fees, costs and expenses of the levy.

B. When distraint is made as provided in this section, the peace officer charged with the collection shall make or have made an account of the property distrained, a copy of which, signed by owner or possessor of the property, or at his dwelling or usual place of business, if a person of suitable age and discretion can be found, or if the taxpayer is a corporation or other type of organization, then with an officer, Mayor, General Agent, or Agent for Process, with a note as to the amount demanded and the time and place of sale. The peace officer shall immediately publish a notice of the time and place of sale, together with a description of the property distrained, in a newspaper published in the City and, in the discretion of the Council, have the notice publicly posted in three public places within five miles of the place where the sale is to be held, one of the notices to be posted at the post office nearest the place where the sale is to be made. The time of sale shall be not less than ten nor more than sixty days from the date of the notification to the owner or possessor of the property, and the place proposed for the sale shall not be more than five miles from the place of making the distraint. The sale may be adjourned from time to time by the peace officer if he considers it advisable, but not for more than ninety days in all. When the property is advertised for sale under the distraint, the peace officer making the seizure shall proceed to sell the property at public auction, offering the property for sale at not less than a fair minimum price as established by the City Mayor, to the highest cash bidder, but reserving the right, if the amount bid is less than the fair minimum price so established, to declare

The property to be purchased by him for the City. Property so purchased by him may thereafter be sold under regulations prescribed by the City, or otherwise used for City purposes.

C. The property distrained shall be restored to the owner or possessor if, before the sale, payment of the amount due is made to the peace officer charged with the collection, together with the fees and other charges; but in case of nonpayment, the peace officer shall proceed to sell the property at public auction. The owner of real property sold under this section, his heir, executor, administrator or successor or a person in his behalf may redeem the real property sold or a particular tract of the real property at any time within two years after the sale thereof; the property or tract may be redeemed upon payment to the purchaser or, if he cannot be found, then to the City for the use of the purchaser, his heirs or assigns, the amount paid by the purchaser and interest on it at the rate of eight percent per year. In the case of property sold, the peace officer conducting the sale shall give to the purchaser a certificate of sale on payment in full of the purchase price. In the case of real property, the certificate shall set out the real property purchased, the amount of taxes for which the same was sold, the name of the purchaser and the price paid for it. In the case of real property sold under this section and not redeemed in the manner and within the time provided in this chapter, the City Mayor shall execute to the purchaser of the real property at the sale a tax deed to the real property so purchased by him, reciting the facts set forth in the certificate. Such tax deed shall be delivered to the purchaser (including the City when it is the purchaser) upon demand after the period of redemption has expired.

6.50.230 Certificate of Sale - Other than Real Property. In all cases of sale of property under this chapter, other than real property, the certificate of sale:

A. Is prima facie evidence of the right of the peace officer to make the sale, and conclusive evidence of the regularity of his proceedings in making the sale;

B. Transfers to the purchaser all right, title and interest of the delinquent in and to the property sold;

C. When the property consists of shares of stock, is notice (when received) to the corporation, company, or association to record the transfer on their books and records in the same manner as if the stock were transferred or assigned by the party holding the stock in lieu of an original or prior certificate, which original or prior certificate is void, whether cancelled or not;

D. Where the subject of the sale is security or other evidence of debt, is a good and valid receipt to the person holding it, as against a person holding or claiming to hold possession of the security or other evidence of debt.

6.50.240 Certificate of Sale - Real Property. In the case of a sale

real property under this chapter:

A. The deed of sale given under the provisions of this chapter is prima facie evidence of the facts stated in it; and

B. The deed is considered and operates as a conveyance of all the right, title and interest that the party delinquent had in and to the real property sold as of the time of the lien of the City attached to it.

6.50.250 Delinquent Taxes - Seizure of Additional Property - Chapter Nonexclusive. If property seized and sold under distraint is not sufficient to satisfy the claim of the City for which distraint or seizure is made, the peace officer may, thereafter, and as often as is necessary, proceed to seize and sell in like manner any other property liable to seizure of the delinquent party against whom the claim exists until the amount due from the delinquent party, together with all expenses, is fully paid. A person in possession of property or rights to property which is subject to distraint upon which a levy is made shall, upon demand by the peace officer making the levy, surrender the property or rights to the peace officer, unless the property or right is, at the time of the demand, subject to a previous attachment under judicial process. A person who fails or refuses to so surrender the property or rights is personally liable to the City in a sum equal to the value of the property or rights not so surrendered, but not exceeding the amount of the taxes, penalty, interest and costs. All persons shall, on demand of a peace officer about to distraint or having distrained on property, or rights of property, exhibit all books containing evidence or statements relating to the subject of distraint or the property or rights of property liable to distraint for the tax due. The provisions of this chapter are not exclusive but are in addition to all other existing remedies provided by law for the enforcement of a levy and collection of taxes of the City.

6.50.260 Violations - Penalty. Each of the following acts, when intentional, constitutes an offense and is punishable by a civil penalty of up to one hundred dollars, and each act set forth in this section constitutes a separate offense, and each day constitutes a separate offense for continuing offenses of omission, commission or concealment:

- A. Failure to obtain a business license by a seller;
- B. Failure to file a tax return or failure to remit taxes when due;
- C. Falsification or misrepresentation of any record filed with the City under this chapter or required to be kept by this chapter, if used to mislead the City tax authorities;
- D. Making sales while the seller's business license is suspended;
- E. Failure of a seller to allow the inspection at reasonable times of records required to be kept by this chapter.

SECTION IV. Repeal. Ordinance Serial No. 88-16 is hereby repealed.

SECTION V. Effective Date. This ordinance becomes effective and shall be implemented within 60 Days after adoption by the voters of the City of Wasilla.

Introduction: 01/22/90

Public Hearing: 02/12/90

ADOPTED by the Voters of the City of Wasilla at a Special Election on the _____ day of _____, 1990.

JOHN C. STEIN, Mayor

ATTEST:

ERLING P. NELSON, CMC
City Clerk