



CITY OF WASILLA

290 E. HERNING AVE.
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Code Ordinance

Requested By: Administration
Prepared By: Administration

ORDINANCE SERIAL NO. 93-11

AN ORDINANCE OF THE CITY OF WASILLA, ALASKA AMENDING CHAPTER 6.50 (SALES TAX) OF THE WASILLA MUNICIPAL CODE.

BE IT ORDAINED AND ENACTED BY 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 correct apparent inequities relating to wholesale and to clarify the building construction exemption and to make use of tax schedule optional.

SECTION III. Amendment.

Section 6.50.020(G) Definitions, Retail Sale; Section 6.50.060, Special Collection for Building Construction; and Section 6.50.110, Tax Rate; are amended as follows:

6.50.020 Definitions

G. "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 process. ~~A building or construction contractor or subcontractor is not a "person engaged in manufacturing."~~
3. Sales of tangible personal property and equipment rentals to an Alaska State licensed and bonded general or specialty contractor for the purpose of constructing buildings, constructing improvements to buildings or land, to be resold by such contractor.

6.50.060 Special Collection for Building Construction. ~~For the purpose of facilitating the collection of the tax 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. Upon payment the City shall issue an exemption certificate which 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 transferrable,~~

~~at the time of the 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 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 an exemption certificate 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 and 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 an exemption certificate showing the payment of the maximum 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.~~

To avoid the payment of multiple taxes the buyer who undertakes an original project for construction of a building, an improvement to a building or an improvement to land, which requires miscellaneous purchasing from more than one seller, may pay the maximum tax on the aggregate project purchases.

Upon payment, the City shall issue a building exemption certificate showing the payment of the maximum tax and specifying the project, its location, the owner's name, and the buyer's name. The certificate shall exempt the buyer for a period not to exceed one year and is not transferrable.

Showing of the building exemption certificate at the time of purchase of goods, rentals of equipment, materials, articles or subcontracting charges will exempt the purchaser from further sales tax and will relieve the seller from the obligation to collect the tax.

6.50.110 2% Tax Rate Schedule. Sellers shall may collect the amount shown in this alternate schedule if a computerized system, calculator or cash register is unavailable.

	<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 \$3.24	\$.05
\$3.25 through \$3.64	\$.06
\$3.65 through \$4.24	\$.07
\$4.25 through \$4.64	\$.08
\$4.65 through \$5.24	\$.09
Over \$5.24, continue on same scale up to five hundred dollars.	

SECTION IV. Effective Date. This ordinance shall become effective upon adoption by the Wasilla City Council.

Introduction: 02/22/93

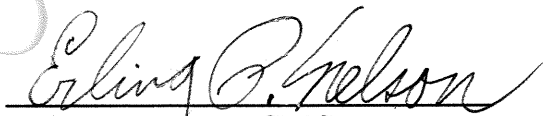
Public Hearing: 03/08/93

ADOPTED by the Council of the City of Wasilla on this 22nd day of March, 1993.



John C. Stein, Mayor

ATTEST:



Erling P. Nelson, CMC
City Clerk