

**CITY OF WASILLA
ORDINANCE SERIAL NO. 02-47**

AN ORDINANCE OF THE WASILLA CITY COUNCIL AMENDING WMC 5.16.120(D), TAX RETURNS—CONTENTS—PENALTY FOR DELINQUENCY, CONCERNING THE APPLICATION OF PAYMENTS RECEIVED FROM PERSONS OWING DELINQUENT SALES TAX.

BE IT ENACTED:

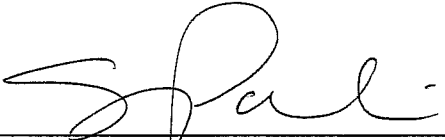
* **Section 1. Classification.** This ordinance is of a general and permanent nature and shall become part of the city code.

* **Section 2. Amendment of subsection .** WMC 5.16.120(D), Tax returns—Contents—Penalty for delinquency, is amended to read as follows:

D. Sales tax that is not received on or before the time when due is delinquent. Delinquent sales tax bears interest at the rate of fifteen (15) percent per annum until paid. In addition, delinquent sales tax shall be subject to a late payment penalty equal to five percent of the amount of the delinquent sales tax multiplied by the number of calendar months (or portions thereof) that elapse until the delinquent sales tax, interest and penalty are paid in full; provided that the amount of penalty shall not exceed twenty-five (25) percent of the amount of the delinquent sales tax. The penalty does not bear interest. **All payments of sales tax received from a seller owing delinquent sales tax shall be applied first to accrued penalty, second to accrued interest, and then to sales tax payments owed by the seller in the order of their due dates.**

* **Section 3. Effective date.** This ordinance shall take effect upon adoption by the Wasilla City Council.

ADOPTED by the Wasilla City Council, Alaska, on August 12, 2002.



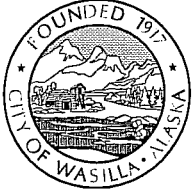
SARAH PALIN, Mayor

ATTEST:




KRISTIE L. SMITHERS, CMC
City Clerk

[SEAL]



CITY OF WASILLA

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PHONE: (907) 373-9090
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TO: Wasilla City Council
THRU: Mayor Sarah Palin 
FROM: Finance Department
DATE: June 26, 2002
SUBJECT: Ordinance Serial No. 02-47

SUMMARY:

Bases on analysis of our sales tax code, the Finance Department discovered that there was not a method listed for applying sales tax payments for businesses that had a delinquent sales tax liability. The attached code amendment provides for the priority of how a sales tax payment will be applied when a business owes delinquent sales tax.

FISCAL IMPACT: If yes, amount requested:
Account No.:

RECOMMENDED ACTION: Adopt Ordinance Serial No. 02-47

ATTACHMENTS: