

Vote: Cox, Ewing, Holler, Koskela, Menard and Metiva in favor

**CITY OF WASILLA  
ORDINANCE SERIAL NO. 07-16**

**AN ORDINANCE OF THE WASILLA CITY COUNCIL AMENDING WMC 5.16.100, COLLECTION OF SALES TAX—ADDITION AND SEPARATE STATEMENT, TO PERMIT A SELLER TO PAY SALES TAX ON THE SELLER’S GROSS RECEIPTS IN LIEU OF STATING SALES TAX SEPARATELY AND ADDING IT TO THE SALES PRICE.**

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

\* **Section 2. Amendment of section.** WMC 5.16.100 Collection of sales tax—Addition and separate statement, is amended to read as follows:

**5.16.100 Collection of sales tax—Addition and separate statement; Exceptions.**

A.[ EXCEPT AS PROVIDED IN SUBSECTION B OF THIS SECTION:

1.] The buyer shall pay sales tax to the seller at the time of payment for a sale, rental or service subject to sales tax. The seller shall collect sales tax from the buyer at the time of payment for a sale, rental or service subject to sales tax. The seller is responsible for remitting sales tax on all nonexempt sales to the city, regardless of whether the seller collects the sales tax from the buyer.

**B. Except as provided in subsection C or D of this section:**

1 [2]. The seller shall add the sales tax to the price or charge for the sale, rental or service, showing the tax as a separate and distinct item on any receipt, invoice, statement of account, or other record of the transaction. The sales tax on more than one

**Bold and underline added.** [CAPS AND BRACKETS, DELETED.]

separately priced item may be shown as a total tax on the aggregate price of all items sold or rented, or services rendered, in a single transaction.

2 [3]. The amount of sales tax to be added to the price of a sale, rental or service shall be determined in accordance with the following schedule:

<u>Price of sale, rental or service</u>	Tax
Under \$.20	None
\$0.20 through \$0.59	\$.01
\$0.60 through \$0.99	\$.02
\$1.00 through \$1.39	\$.03
\$1.40 through \$1.79	\$.04
\$1.80 through \$2.19	\$.05
\$2.20 through \$2.59	\$.06
\$2.60 through \$2.99	\$.07
\$3.00 through \$3.39	\$.08
\$3.40 through \$3.79	\$.09
\$3.80 through \$4.19	\$.10
Over \$4.19, continue on same scale up to five hundred dollars (\$500.00).	

3 [4]. A seller may not assume, fail to add to the price or charge for a sale, rental or service, or refund to the buyer all or part of the sales tax, or advertise or represent to any person that the seller will do so.

C [B]. Sales tax on sales of gaming property and sales from coin operated machines is not added to the sales price and collected with each transaction, but is computed and paid as provided in Section 5.16.045.

**D. When it is not feasible for the seller to show the sales tax on each transaction as a separate and distinct item, the seller may elect to remit to the city**

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an amount equal to the seller's gross receipts divided by 1.025 and multiplied by .025, in lieu of stating sales tax separately and adding it to the sales price. A seller makes this election for a calendar year by so indicating on its application for a city business license. A seller who has made this election shall include in each sign that displays prices to its customers a notice, in type no smaller than the type in which prices are displayed, stating, "All prices include 2.5% City of Wasilla sales tax."

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

ADOPTED by the Wasilla City Council on April 9, 2007.

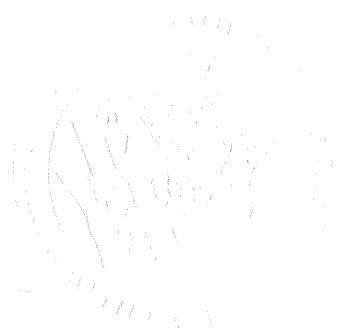
  
\_\_\_\_\_  
DIANNE M. KELLER, Mayor

ATTEST:

  
\_\_\_\_\_  
KRISTIE SMITHERS, MMC  
City Clerk

[SEAL]

**Bold and underline added.** [CAPS AND BRACKETS, DELETED.]





**CITY OF WASILLA  
LEGISLATION STAFF REPORT**

**RE: ORDINANCE SERIAL NO. 07-16: AMENDING WMC 5.16.100, COLLECTIONS OF SALES TAX. ADDITION AND SEPARATE STATEMENT, TO PERMIT A SELLER TO PAY SALES TAX ON THE SELLER'S GROSS RECEIPTS IN LIEU OF STATING SALES TAX SEPARATELY AND ADDING IT TO THE SALES PRICE.**

Agenda of: MARCH 12, 2007  
Originator: FINANCE DEPARTMENT

Date: February 28, 2007

Route to:	Department	Signature/Date
	Police Chief Youth Court, Dispatch, Code Compliance	
	Culture and Recreation Services Director Library, Museum, Sports Complex	
	Public Works & Recreation Facility Maintenance Director	
X	Finance, Risk Management & MIS Director Purchasing	<i>Doreen E. Collins</i>
X	Deputy Administrator Planning, Economic Development, Human Resources	<i>S. Hardy</i>
X	City Clerk	<i>ABM/tes</i>

REVIEWED BY MAYOR DIANNE M. KELLER:

*Dianne M. Keller*

FISCAL IMPACT:  yes\$ or  no

Funds Available  yes  no

Account name/number: N/A

Attachments: NONE

**SUMMARY STATEMENT:** This ordinance will allow a seller the option of including the sales tax in the total price of a sale when it is not feasible for them to itemize the sales tax separately. If this option is taken a seller would then be required to display a sign stating that all prices include 2.5% City of Wasilla sales tax. In addition, the seller will notify the city that they are using this option when they apply for or renew a business license.

