

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2023-14

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA AMENDING TITLE 4 “REVENUE AND FINANCE” OF THE SITKA GENERAL CODE BY UPDATING CHAPTER 4.09 “SALES TAX”

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.

3. PURPOSE. The purpose of this ordinance is to remove references to the seasonal sales tax that ended June 30, 2023.

4. ENACTMENT. NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that the Sitka General Code Title 4, entitled “Revenue and Finance”, Chapter 4.09, entitled “Sales Tax”, at Section 4.09.010, entitled “Levy of sales tax”, and Section 4.09.120, entitled “Exemption from seasonal sales tax increase”, be amended to read as follows (deleted language stricken, new language underlined):

**Title 4
FINANCE AND REVENUE**

Chapters:

4.09 Sales Tax

**Chapter 4.09
SALES TAX**

Sections:

4.09.010 Levy of sales tax.

~~4.09.120 Exemption from seasonal sales tax increase.~~

4.09.010 Levy of sales tax.

A. There is levied a consumer’s sales tax on sales, rents, and leases made in the city and borough of Sitka. This tax applies to sales, rentals, and leases of tangible personal property; sales of services sold within the city and borough of Sitka; sales of services performed wholly or partially within the city and borough of Sitka when the provision of such services originates or terminates within the city and borough of Sitka; and rentals and leases of real property located within the city and borough of Sitka. Notwithstanding any provision of law, air or sea charter services, provided a person or entity in the business of providing such charter services, are exempt from sales tax by the city and borough of Sitka if the charter does not commence and end within the city and borough of Sitka.

B. The rate of levy of the sales tax levied under subsection A of this section is five percent, ~~on sales made during the months of October, November, December, January, February, and March. The rate~~

~~of levy of the sales tax levied under subsection A of this section is six percent on sales made during the months of April, May, June, July, August, and September.¹~~

* * *

4.09.120—Exemption from seasonal sales tax increase.

~~The following retail sales are exempt from any increase in the sales tax imposed on a seasonal basis, including the one percentage point increase for the months of April, May, June, July, August, and September set out in Section 4.09.010(B):~~

~~A.—Rentals of Real Property. Rent paid as consideration for the use of real property either for thirty or more consecutive days or an entire calendar month by a person or persons of a room, set of rooms, structure, or suite is exempt from the additional one percent increase for the months of April, May, June, July, August and September. This exemption does not apply to any transaction taxable under the transient lodging tax set out in Chapter 4.24.~~

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TITLE 4 FOOTNOTES


~~1—The seasonal sales tax increase will sunset three days after the administrator certifies in writing to the assembly that either (a) any and all bonds issued and matching grant monies pledged pursuant to the ratification by the voters are entirely paid off or (b) the seasonal tax increase enacted by the ordinance codified in this section has generated (or, based on historical projections, will generate in the next succeeding quarter) sufficient revenues to pay off any and all bonds and matching grant monies issued pursuant to voter ratification, whether or not such bonds or matching grant monies have been paid off.~~

~~2 Ordinance 12-30 adds these provisions as Chapter 4.44. The chapter has been editorially renumbered to prevent duplication of numbering.~~

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~~5. **EFFECTIVE DATE.** This ordinance shall become effective the date after the day of its passage.~~

~~**PASSED, APPROVED, AND ADOPTED** by the Assembly of the City and Borough of Sitka, Alaska, this 25th day of July, 2023.~~



Steven Eisenbeisz, Mayor

ATTEST:



Sara Peterson, MMC
Municipal Clerk

1st reading: 7/11/2023

2nd and final reading: 7/25/2023

Sponsor: Administrator