

Introduced by: City Manager Baird
Date: January 8, 2008
Public Hearing: January 29, 2008
Action: Passed
Vote: 5-2

CITY OF BETHEL, ALASKA

Ordinance #08-01

AN ORDINANCE OF THE BETHEL CITY COUNCIL CODIFYING THE INCREASE IN THE SALES AND USE TAX RATES FROM FIVE PERCENT TO SIX PERCENT

WHEREAS, the Bethel City Council passed Ordinance #07-10, increasing the sales tax and use tax upon passage by the citizens of Bethel in the October 2007 General Election,

WHEREAS, the Bethel City Council passed Ordinance #07-21, approving the language for Proposition #1 to be placed on the ballot for the October 2007 General Election,

WHEREAS, on October 2, 2007 the residents of Bethel voted to increase the sales tax and use tax by one (1) percent (total tax of 6%) for a period of 2 years followed by a decrease of a half (.5) percent (total tax 5.5%) which shall sunset on October 2, 2027, by a vote of 341 in favor and 324 in opposition,

WHEREAS, ordinance #07-10 & #07-21 previously passed by the Bethel City Council did not incorporate language within the ordinances for codification. This ordinance will not make any changes to the Bethel Municipal Code other than codifying the increase in sales tax and use tax which has been voted on and passed by the residents of Bethel in the 2007 General Election.

BE IT ORDAINED by the City Council of Bethel, Alaska, that:

SECTION 1. Classification. This ordinance is permanent in nature and shall be incorporated into the Bethel Municipal Code.

SECTION 2. Amendment. Bethel Municipal Code Section 4.16.030 is amended to read as follows (new language is underlined and deleted language is stricken out):

4.16.030 Imposition – Rate

There is levied and shall be collected a sales tax on all sales transactions in the city unless specifically exempted under this Chapter. The tax is six ~~five~~ (6) percent of the selling price.

SECTION 3. Amendment. Bethel Municipal Code Section 4.16.060 is amended to read as follows (new language is underlined and deleted language is stricken out):

4.16.060 Tax added to sales price.

There is levied and shall be collected a sales tax on all sales transactions in the city unless specifically exempted under this Chapter. The tax is six five- (6%) percent of the selling price.

D. In cases of remittance of all or a part of the sale price by installment or deferred remittance, the seller may collect the sales tax as if the down remittance and each installment or deferred remittance were separate, individual sales, with the sales tax computed and paid on the entire principal and interest remittance at the time of each remittance. If the remittance invoice for a deferred sales tax remittance does not set out the amount of the sales tax due with the remittance, the remittance received shall be deemed to include the sales tax which shall be computed by multiplying the total principal and interest remittance amount by ~~0.04762~~ 0.0566. Upon the sale or transfer by the seller of an account from which deferred sales tax remittances are still due, the seller shall remit over to the city the amount of the sales tax still due from future remittances on the account.

SECTION 4. Amendment. Bethel Municipal Code Section 4.16.070 is amended to read as follows (new language is underlined and deleted language is stricken out):

4.16.070 Bracket collection schedule.

A. Except as provided in subsections B and C, the sales tax shall be stated separately on all invoices, receipts and other documents of the sale. The tax shall be charged in accordance with the following schedule:

	Selling Price (inclusive) Amount of Sales Tax
<u>.01-.09</u> .01-.09	\$ -0- tax
<u>.10-.16</u> .10-.29	.01
<u>.17-.33</u> .30-.49	.02
<u>.34-.50</u> .50-.69	.03
<u>.51-.66</u> .70-.89	.04
<u>.67-.83</u> .90-1.09	.05
<u>.84-1.09</u> 1.10-1.29	.06
Amounts over <u>\$1.09</u>	<u>6%</u> 5% of selling price rounded up to the nearest whole cent for each fraction of one half cent or more
1.29	

B. When sales are made through devices such as service station fuel pumps that compute the amount due as the product is delivered, the seller may set the device to add the sales tax as the product sold is delivered. In doing so, the seller may set the device to add the tax in one cent increments in accordance with the schedule in subsection A or may set the device to add the tax as exactly six five (6%) percent of the price of the product as it is delivered. In either case where the tax is added as the product is delivered and the price of the sale, including the sales tax, is displayed on the device as the delivery is being made, the seller is not required to state the amount of the tax separately in an invoice

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or receipt, but shall place a notice on the device that the price shown includes the Bethel City sales tax.

- C. When a coin or bill operated device dispenses goods, permits one or more plays of a game or other entertainment, or permits a predetermined use of a device, equipment or place, the sales tax levied under this chapter shall be deemed to be included in the amount required to be deposited and shall be computed for purposes of collection, holding in trust, and paying over to the city by multiplying 0.0566 ~~0.04762~~ by the gross proceeds of each collection removed from the device by the seller. If the seller sells tokens or cards that are used to operate the devices, the gross proceeds shall be the sum of the cash removed from the devices plus the receipts from the sale of the tokens and cards.

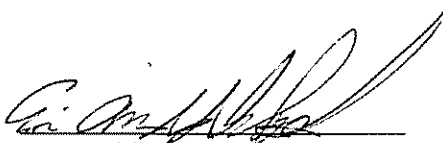
SECTION 5. Effective Date. This ordinance shall become effective immediately upon the passage of council.

ENACTED THIS 29th DAY OF JANUARY 2008, BY A VOTE OF 5 IN FAVOR AND 2 OPPOSED.

ATTEST:



Sandra Modigh, City Clerk



Eric Middlebrook, Mayor