Chapter 9.16 Sales Tax

Sections:

9.16.010 Levied.
9.16.020 Mill rate contingency.
9.16.040 Borough provisions adopted by reference.
9.16.050 Civil penalties.
9.16.060 Forgiveness of uncollected taxes, penalties and interest.
9.16.070 Sales tax liens.
9.16.100 Exemptions.

9.16.010 Levied. a. A consumer=s sales tax in the amount of three percent is levied by the City on all sales, rents and services within the City except as the same may be otherwise exempted by law.
b. An additional consumer=s sales tax in the amount of three-quarters percent (3/4%) is hereby levied by the City of Homer on all sales, rents and services within the City except the same may be otherwise exempted by law, for the purpose of funding debt retirement of the sewer treatment plant improvements, and to the extent revenues from such tax exceed such debt retirement obligations, for the purpose of funding water and sewer systems.
c. An additional consumer=s sales tax in the amount of three-quarters percent (3/4%) is hereby levied by the City of Homer on all sales, rents and services within the City except the same may be otherwise exempted by law, for the purpose of funding of street reconstruction improvements and related utilities, construction of new local roads, and construction of new local trails. (Ord. 06-42 §2, 2006*; Ord. 05-03(A) '2, 2005; Ord. 99-14(S)(A) '1, 1999; Ord. 91-19 '1, 1991; Ord. 90-29 '' 1& 2, 1990; Ord. 87-19 '1, 1987; Ord. 85-37 '2, 1985).

9.16.020 Mill rate contingency. The sales tax enacted by subsection a. of '9.16.010 shall remain in effect only in such years that the City Council sets the property mill levy at six mills or less. In such years as the property mill levy exceeds six mills, this sales tax levy shall not be in effect. (Ord. 90-29 '4, 1990; Ord. 85-37 '3, 1985).

9.16.040 Borough provisions adopted by reference. Those sections of the Kenai Peninsula Borough Code of Ordinances applicable to the levy and collection of the sales tax described in this chapter are incorporated by this reference and made a part of this chapter as though fully set forth in this chapter. (Ord. 92-27, 1992; Ord. 92-11(A) §6, 1990)

9.16.050 Civil penalties. a. Failure to Obtain Certificate of Registration. A seller who is required to obtain a certificate of registration under KPB Chapter 5.18 but fails to do so within the time prescribed, is subject to a civil penalty equal to twenty-five percent of the amount of any City tax found to be due in addition to payment of the actual amount of City taxes.
b. Failure to File Return. A seller who fails to file a timely return, or who fails to remit all City taxes collected by him or later found to be due, is subject to a civil penalty of five percent per month of the amount of City taxes found to be due, to a maximum of twenty-five percent. The filing of an incomplete return, or the failure to remit all taxes, is the equivalent of filing no return. All City taxes due but not paid within the time required shall accrue and be assessed an interest charge at the maximum statutory rate as provided by AS 29.45.650(d).

c. The provisions of this section shall be enforced by the Kenai Peninsula Borough pursuant to KPB 5.18.100 b. (Ord. 92-11(A) §3, 1992; Ord. 90-29 §6, 1990).

9.16.060 Forgiveness of uncollected taxes, penalties and interest. a. If, pursuant to the provisions of KPB 5.18.270, the Kenai Peninsula borough forgives payment of a Borough sales tax, penalties or interest thereon, the City Manager may grant forgiveness of any corresponding City sales tax, penalties or interest.

b. The City Manager shall notify the City Council in writing of any such incidence of forgiveness which shall be final unless overridden by the Council, within 30 days of such forgiveness. (Ord. 92-11(A) Editors Note: The prior code contained two sections numbered 13A-400.26.
§4, 1992; Ord. 90-29 §7, 1990).

9.16.070 Sales tax liens. a. Sales taxes, together with penalties, interest, and costs of administration, shall constitute a lien in favor of the City upon all real and personal property of every person making sales subject to City sales taxes and, when recorded, sales tax liens are prior and paramount to all other liens or encumbrances against the property except as provided by AS 29.45.650(e).

b. A lien imposed by subsection a. may be filed and recorded by the City of the Kenai Peninsula Borough pursuant to KPB 5.18.660. Enforcement of City sales tax liens by foreclosure or any other remedy shall be administered by the Kenai Peninsula Borough. (Ord. 92-11(A) §5, 1992; Ord. 90-29 §8, 1990).

1. Prior ordinance history: Ordinances 90-15, 76-8, 72-3 and 5-310.4. Prior code: 13A-100.
2. For statutory provisions authorizing cities to enforce tax liens, see AS 29.45.290--29.45.500. See Title 18, Property Management, as to the classification and disposition of foreclosed properties. Ord. 98-3(A) has a sunset provision of 12/31/2001 unless extended.
Prior ordinance history: Ordinances 76-16, 80-05 and 88-14; prior code 13A-400.
3. Editor's Note: the prior code contained two sections numbered 13A-400.26.
4. For statutory provisions authorizing cities to levy sales taxes, see AS 29.45.700--29.45.710. Prior ordinance history: Ordinances 85-17 and 85-37.

9.16.100 Exemptions. a. Commencing January 1, 2009, sales of nonprepared food items from September 1st through May 31st of each year.
b. All other items granted exemption from sales tax under the Kenai Peninsula Borough Code as amended from time to time, except where the Kenai Peninsula Borough by ordinance expressly authorizes the city to tax a source exempted from sales tax by the Kenai Peninsula Borough Code and city imposes a sales tax on that source in compliance with the law. (Ord. 08-32(S)(A-2) §1, 2008).

107/119

(Homer 12/08)

[1] For statutory provisions authorizing cities to levy sales taxes, see AS 29.45.700-29.45.710. Prior ordinance history: Ordinances 85-17 and 85-37.

* Ordinance 06-42 extended sales tax levy for up to 20 additional years.

Source URL (retrieved on *2013-05-23 17:32*): http://www.cityofhomer-ak.gov/cityclerk/chapter-916-sales-tax