

Adopted April 2, 1968

KENAI PENINSULA BOROUGH

ORDINANCE NO. 77

AN ORDINANCE ENTITLED: AN ORDINANCE RELATING TO SALES TAXES

BE IT ORDAINED BY THE ASSEMBLY OF THE KENAI PENINSULA
BOROUGH:

Section 1. Section 25.10.015 of the Kenai Peninsula
Borough Code of Ordinances is amended to read:

Sec. 25.10.015. Custody, Reporting and Remittance.

- (1) All sales taxes collected are Borough monies, and the seller is at all times accountable to the Borough for such monies.
- (2) Taxes due the Borough collected by a seller hereunder shall be paid at the expiration of each quarter of each calendar year. Every seller liable for the collection of the tax shall file with the Borough upon forms furnished by it a return setting forth:
 - (a) gross sales;
 - (b) the non-taxable portion separately stating the amount of sales revenue attributable to each class of exemption;
 - (c) taxes collected;
 - (d) such other information as may be required by regulation.

The complete return, together with remittance in full for the amount of the tax due, must be transmitted to the Borough on or before the last (30th) day of the month succeeding the end of each quarter.

- (3) If a return is filed with the taxes remitted (COLLECTED) within the time (30 days) allowed, the seller may retain three percent of the tax collected to cover his costs of administration of the tax.

- (4) Any person who filed or should have filed a sales tax return for the prior quarter shall file a return, even through no tax may be due. This return shall show why no tax is due, and, if the business is sold, the name of the person to whom it was sold.
- (5) If any seller sells, leases or otherwise disposes of his business, he shall make a final sales tax return within 15 days after the date of sale; and the purchaser, successor or assign shall withhold a sufficient portion of the money to safely cover the amount of such sales tax, penalties and interest as may be due and unpaid to the Borough until such time as the former owner has produced a receipt from the Borough showing that all tax obligations imposed by this chapter have been paid; and further provided, if any purchaser of a business fails to withhold from the purchase money as herein provided for he shall be personally liable for the payment of the taxes, penalties and interest accruing and unpaid to the Borough on account of the operation of the business by any former owner, owners or assigns.

Section 2. Section 25.10.050 of the Kenai Peninsula Borough Code of Ordinances is amended by adding new subsections to read:

- (5) Before issuing a Certificate of Registration, the Chairman may require the applicant to post a bond, furnish a statement of net worth, or furnish additional security to insure the full and prompt payment of taxes to be collected under such certificate when in his judgement it is in the interest of the Borough to do so.
- (6) A seller who obtains or should obtain a Certificate of Registration in accordance with this chapter hereby consents to the inspection of his Alaska Business License Tax returns in order to facilitate the accomplishment of the provisions and objectives of this chapter.

Section 3. CHAPTER 25.10 of the Kenai Peninsula Borough Code of Ordinances is amended by adding new sections to read:

Section 25.10.086. Lien. The tax, penalty and interest imposed by this chapter shall constitute a lien in favor

of the Borough upon all the seller's property within the Borough. The lien arises upon delinquency and continues until the liability for the amount is satisfied or the property is sold at foreclosure sale.

The lien is not valid as against a mortgagee, pledgee, purchaser or judgment creditor until notice of the lien is filed in the office of the Recorder in which the property is located in the manner provided for Federal tax liens in AS 43.10.090 - 43.10.150. AS 43.10.090 - 43.10.150 apply to the tax liens arising under this ordinance. These sections of state law are hereby adopted by reference the same as if set forth in full herein.

Section 25.10.087. Accelerated returns. A seller who fails to file a tax return or who has been late in filing for two or more quarters may be required by the Chairman to file returns and remit taxes on a monthly basis.


Section 4. Sub-section 25.10.095 (1) of the Kenai Peninsula Borough Code of Ordinances is amended to read:

- (1) Each of the following acts, when intentional, constitutes a misdemeanor and is punishable by imprisonment for up to 30 days, and; by a fine of up to \$300.00, in addition to any civil penalty assessed:
 - (a) failure to obtain a certificate of Registration;
 - (b) failure to file a return(;) or failure to remit taxes due;
 - (c) falsification or misrepresentation of any record filed with the Borough hereunder or required to be kept hereby, if used to mislead Borough tax authorities.

Section 5. This ordinance shall become effective 30 days after enactment.


ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH
THIS 2 DAY OF April, 1968.

Malone req. recon. 4-16-68.
Recon. withdrawn 4-16-68.



Assembly President

ATTEST:



Assembly Clerk

