

INFORMATIONAL DATA SHEET FOR ORD. 78-41

ADMINISTRATIVE COSTS: Negligible

CITIZENRY EFFECT:

Group Affected: Nonprofit organizations

Nature & Effect on Each Group: Elimination of
2% Borough Sales Tax

INTRODUCING AUTHORITY:

Kenai Peninsula Borough Assembly

By: Corr

Introduced by: Corr
Date: July 18, 1978 (tabled 7/18/78)
Hearing: August 15, 1978
Vote:
Action:

KENAI PENINSULA BOROUGH

ORDINANCE 78-41

AN ORDINANCE EXEMPTING CERTAIN NONPROFIT GROUPS FROM THE
KENAI PENINSULA BOROUGH SALES TAX.

WHEREAS, many nonprofit organizations play a unique and
positive roll in serving the community; and

WHEREAS, many nonprofit organizations have been
recognized by the State of Alaska as tax exempt by the
Internal Revenue Service of the United States ; and

WHEREAS, many nonprofit organizations have limited
funds with which to carry out their public service activities;
and

WHEREAS, the Kenai Peninsula Borough is authorized by
law to grant desirable exemptions to the sales taxation;

NOW THEREFORE, BE IT ORDAINED BY THE ASSEMBLY OF THE
KENAI PENINSULA BOROUGH:

Section 1. That the Kenai Peninsula Borough Code of
ordinances is hereby amended by adding a new subsection to
be numbered 5.16.090 (N) which shall read as follows:

N. Purchases by, or sales by, nonprofit organizations
whose local chapter or parent organization is recognized by
the Internal Revenue Service of the United States or by the
State of Alaska as a nonprofit public service organization,
or which the Director of Finance determines to be a non-
profit organization within the meaning of the applicable
Internal Revenue Service Regulations, when such sales or
purchases are made in the regular course of the activities
for which the group was chartered or when made as part of
occasional activities intended to raise funds for the nonprofit
group. Any nonprofit organization applying for exempted

status shall provide the Director of Finance with suitable evidence as to the group's Internal Revenue Service or State of Alaska tax exemption or the status of the local or parent groups chartering as a nonprofit group or activity. In lieu of providing the Director of Finance with evidence of official recognition by the State of Alaska or the Internal Revenue Service, the organization seeking exemption may produce evidence showing that the applicant could qualify as a tax-exempt organization under the applicable Internal Revenue Service Regulations. The Director of Finance shall issue a suitable number of tax exempt registration cards and shall issue a certificate attesting the applicant's certification as a nonprofit seller who is not required to collect sales tax on fund raising activities, subject to such conditions and limitations as the Director of Finance may specify.

Section 2. That this ordinance shall become effective immediately upon enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH
THIS _____ DAY OF _____, 1978.

JoAnn Elson, Assembly President

ATTEST:

Borough Clerk