

ORDINANCE CERTIFICATION

I certify that upon final enactment of Ordinance No. 81-98 of the Kenai Peninsula borough, this certification of the actions taken by me conforms with the rules and regulations governing ordinances.

1. Publication: Publication has been made by causing a summary of this ordinance to be inserted one time in a newspaper of general circulation in the borough. One copy of this ordinance as set for hearing, together with Notice of Hearing has been mailed to the city clerks of each first class city in the borough and to each postoffice in the borough with a request for posting on the City Hall and Post Office bulletin boards for 10 days immediately following receipt.
2. After adoption of this ordinance, one copy will be mailed to the city clerk of each first class city in the borough.

This ordinance was ENACTED by the assembly of the Kenai Peninsula Borough on the 15th day of September, 1981 and will become effective immediately.

Frances Byrnes
Borough Clerk

Date: September 29, 1981

Introduced by: Sikorski
Date: August 18, 1981
Hearing: Sept. 15, 1981
Vote: Unanimous
Action: Enacted

KENAI PENINSULA BOROUGH

ORDINANCE 81-98

AMENDING SECTION 5.16.010 OF THE BOROUGH CODE OF ORDINANCES TO EXCLUDE INTERMEDIATE SERVICES FROM THE BOROUGH SALES TAX.

WHEREAS, the theory of a sales tax is to impose an excise tax on the ultimate retail sale; and

WHEREAS, the state law authorizes municipalities to levy a sales tax on tangible property sales and services; and

WHEREAS, personal property using a raw material in the process of manufacture is excluded from a sales tax because it does not constitute the ultimate retail sale; and

WHEREAS, a similar provision should, but does not, exist in the present Borough Code; and

WHEREAS, there is a justification for excluding intermediate sales of services from the sales tax;

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

Section 1. That Section 5.16.010 F of the Borough Code of ordinances is amended to read:

F. "Sale" or "retail sale" includes:

1. Every sale of services except sales of intermediate services to a business which will be charged or passed through by that business to a specific customer;

2. Every rental of real or personal property;

3. Every sale of the use or play of a coin-operated machine; and

4. Every sale of tangible personal property, regardless of quantity or price, whether sold by coin-operated machine or otherwise, except:

a. Sales to a wholesale or retail dealer in the property sold, for the purpose of resale by him,

b. Sale of personal property as raw material to a person engaged in manufacturing for sale, when the property becomes an ingredient or component part of the manufactured product or a container thereof or is consumed in the manufacturing process.

Section 2. That this ordinance takes effect immediately upon its enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH ON THIS 15 DAY OF September, 1981.

Paul A. Fischer
Paul Fischer, Assembly President

ATTEST:

Francis Bryner
Borough Clerk