

Introduced by: Moock  
Date: Jan. 17, 1989  
Hearing: Feb. 21, 1989  
Action: Enacted  
Vote: 10 yes, 4 No

KENAI PENINSULA BOROUGH

ORDINANCE 89-8

POSTPONING THE EFFECTIVE DATE OF THOSE AMENDMENTS TO THE BOROUGH SALES TAX CODE ADOPTED THROUGH KPB ORDINANCE 88-40 SUBSTITUTE, SECTION 7 AND SECTION 9

WHEREAS, on December 6, 1988 the borough assembly enacted KPB Ordinance 88-40 (Substitute) which amended the borough sales tax code; and

WHEREAS, Section 7 of Ordinance 88-40 (Substitute) excluded the provision of meals, temporary lodging and/or utilities from the sales tax exception provided for intermediate services; and

WHEREAS, Section 9 of Ordinance 88-40 (Substitute) enacted a new requirement that each night's rental of each individual room would be considered a separate transaction for purposes of application of the maximum tax limitation of KPB 5.18.055; and

WHEREAS, these two amendments appear to work a significant hardship upon a certain class of sellers who have already purchased advertising and pursued sale of temporary lodging for the 1989 summer season under terms which will deny them the opportunity to collect this increased sales tax from the purchaser of temporary lodging, upon whom the incidence of the tax is intended to fall; and

WHEREAS, delaying the effective date of these code amendments until October 1, 1989 will allow the affected sellers a reasonable opportunity to incorporate the changes into their advertising and sales procedures so that the purchaser would be responsible for payment of the tax as intended;

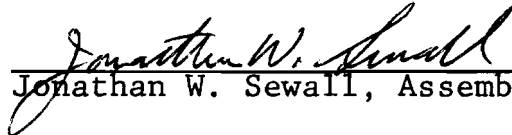
NOW THEREFORE, BE IT ORDAINED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

Section 1. That the exclusion of meals and temporary lodging from the intermediate services exception of KPB 5.18.255 (F)(1), as enacted through Section 7 of Ordinance 88-40 (Substitute) shall be postponed until October 1, 1989.

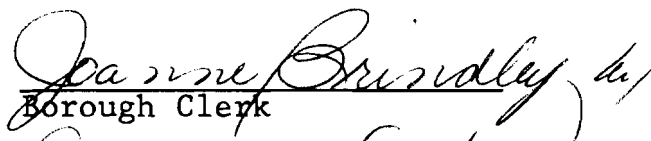
Section 2. That the enactment of the new KPB 5.18.255(K) as set out by Section 9 of Ordinance 88-40 (Substitute) shall be postponed to an effective date of October 1, 1989.

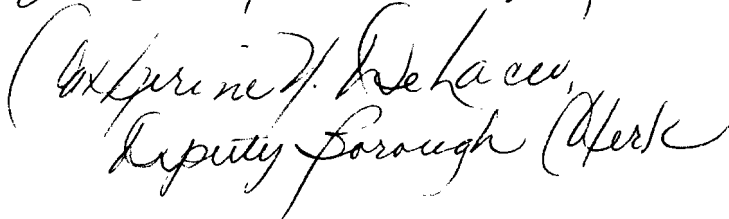
Section 3. That this ordinance takes effect immediately upon its enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH ON  
THIS 21 DAY OF February, 1989.

  
Jonathan W. Sewall, Assembly President

ATTEST:

  
Borough Clerk

  
Deputy Borough Clerk