

Title 3

REVENUE AND FINANCE

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- 3.04 Fiscal Provisions Generally**
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- 3.12 Purchasing**
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Chapter 3.04

FISCAL PROVISIONS GENERALLY

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3.04.010 Budget and capital improvements program.

A. The city manager shall prepare the annual budget and capital improvements program for the council. The budget and capital improvements program shall be submitted annually as a noncode ordinance.

B. After public hearing, the council may approve the budget and capital improvements program with or without amendments and shall appropriate the funds required. (Prior code Ch. 43, § 1)

3.04.020 City obligations.

A. A bond, contract, lease or other obligation requiring the payment of funds from the appropriations of later fiscal year or of more than one fiscal year shall be made by ordinance and approved by the voters.

B. The council may make supplemental and emergency appropriations. No payment may be authorized or made and no obliga-

tion incurred unless an appropriation has been made by ordinance.

C. The council may authorize contracts for capital improvements to be financed wholly or partly by the issuance of bonds. (Prior code Ch. 43, § 2)

3.04.030 Fiscal year.

The fiscal year of the city shall begin on the first day of July and end on the last day of June in the following calendar year. (Prior code Ch. 43, § 3)

3.04.040 Funds designated.

Funds designated for the city;

- A. General fund;
- B. Payroll fund;
- C. Federal revenue sharing fund;
- D. Water and electrical utility fund;
- E. Bingo funds;
- F. Emmonak hotel fund;
- G. Other funds as created by resolution.

(Prior code Ch. 43, § 4)

3.04.050 Statement of annual income and expenditures.

The city manager is responsible for preparing a statement of annual income and expenditures and delivering the statement to the council before September 1st of each year. (Prior code Ch. 43, § 5)

3.04.060 Treasury.

A. The treasurer shall be responsible for the collection, custody and disbursement of all moneys from whatever source.

B. Operating cash shall be kept in one financial institutional to be designated by resolution.

C. The treasurer shall invest city money upon directive of the council in any of the following types of investments:

1. Bonds, notes or other obligations;
2. Certificates of deposit or saving accounts at any bank. (Prior code Ch. 44, § 1)

3.04.070 Accounting.

A. All accounting functions for all city department and offices are the responsibility of the treasurer.

B. The treasurer shall provide on a monthly basis to the city manager and council the following statements.

1. Summary statement of cash receipts and disbursements;
2. Reconciliations statement from banks, investments or funds;
3. Statement of expenditures compared with appropriations. (Prior code Ch. 44, § 2)

3.04.080 Checks.

All checks drawn on the treasury of the city shall be signed by:

A. Two council members from among those designated by the council; or

B. The treasurer and a city council member as designated; or

C. The city manager and a city council as designated. No check is authorized to be drawn for payment if it is not signed by at least one council member. All checks prior to issuance shall be approved to be within budget allowances by the city manager. (Prior code Ch. 44, § 3)

3.04.090 Insufficient funds in bank account.

No city check may be written at any time when funds are insufficient. Wilful violation of this provision and conviction may result in a fine of not more than five hundred dollars. (Prior code Ch. 44, § 4)

Chapter 3.08

CITY BUDGET

Sections:

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 3.08.050 Proposed expenditures compared with other year.
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 3.08.080 Publication of notice of public hearing.
 3.08.090 Public hearing on budget.
 3.08.100 Further consideration of budget.
 3.08.110 Adoption of budget—Vote required.
 3.08.120 Effective date of budget certification.

Article I. Budget Form and Scope

3.08.010 Scope.

A. The budget shall be a complete financial plan for the operation of the city, showing dollar reserves, anticipated revenues and proposed expenditures.

B. The budget shall include a comparative statement of actual expenditures and

actual revenues for the preceding fiscal year.

C. Proposed expenditures shall not exceed anticipated revenues and reserves. (Prior code Ch. 45, § 1)

3.08.020 Anticipated revenues.

Anticipated revenues may be composed of taxes, licenses and permits, intergovernmental revenues, charges for services, fines and forfeitures, miscellaneous revenue, cash reserves and other as needed for proper accounting purposes. (Prior code Ch. 45, § 2)

3.08.030 Anticipated revenues compared with other years.

In the parallel column opposite the items of anticipated revenues there shall be placed the amount of each item actually received in the preceding fiscal year and the budget for the current fiscal year. (Prior code Ch. 45, § 3)

3.08.040 Proposed expenditures.

Proposed expenditures shall be itemized. Separate provisions shall be included in the budget for at least:

A. Interest, amortization of principal and redemption charges on the public debt for which the faith and credit of the city is pledged;

B. Administration, operation and maintenance of each office, department or agency of the city;

C. The council's budgetary reserve;

D. Expenditures proposed for capital projects including provision for down payments on capital projects. (Prior code Ch. 45, § 4)

3.08.050 Proposed expenditures compared with other year.

In a parallel column opposite the several items of proposed expenditures, there shall be placed the amount of each item actually spent in the preceding fiscal year and the budget for the current fiscal year. (Prior code Ch. 45, § 5)

3.08.060 Budget summary.

At the head of the budget there shall appear a summary of the budget, which need not be itemized. Principle sources of anticipated revenues and kinds of expenditures by department shall be stated in such a manner as to present to the taxpayer a simple and clear summary of the detailed estimates of the budget. (Prior code Ch. 45, § 6)

Article II. Budget Procedures

3.08.070 Public record.

The budget, the budget message, the capital improvements program and all supporting schedules shall be open to public inspection. Copies of the budget and budget message shall be available for distribution to interested persons. (Prior code Ch. 46, § 1)

3.08.080 Publication of notice of public hearing.

The council shall determine the place and time of the public hearing on the budget and shall post such notice in three places in the city at least two weeks prior to the hearing. The council shall include in the notice a summary of the budget and capital improvements program and a statement setting out the time and place for a public hearing. (Prior code Ch. 46, § 2)

3.08.090 Public hearing on budget.

After the time and place so advertised, the council shall hold a public hearing on the budget as submitted, at which time all interested persons shall be given an opportunity to be heard for or against the estimates of any item thereof. (Prior code Ch. 46, § 3)

3.08.100 Further consideration of budget.

After the conclusion of such public hearing, the council may insert new items or may increase or decrease the items of the budget, except items on proposed expenditures fixed by law. The council may not vary the titles, descriptions or conditions of administration specified in the budget. (Prior code Ch. 46, § 4)

**3.08.110 Adoption of budget—
Vote required.**

The budget shall be adopted by majority vote of the council, preferable by May 1st, but no later than May 31st. (Prior code Ch. 46, § 5)

3.08.120 Effective date of budget certification.

Upon adoption of a budget, the budget shall be in effect for the fiscal year. A copy of the budget, as finally adopted, shall be certified by the mayor, the city manager and the clerk and filed in the office of the clerk. The certified budget shall be available to all persons in the city. (Prior code Ch. 46, § 6)

Chapter 3.12

PURCHASING

Sections:

- 3.12.010** **Purchasing agent.**
- 3.12.020** **Scope of authority.**

3.12.010 **Purchasing agent.**

A. There shall be a purchasing agent for the city to make all purchases of supplies, materials, equipment and contractual services for the offices, departments and agencies of the city government.

B. The city manager, subject to council review, shall designate a person to be the city purchasing agent. (Prior code Ch. 47, § 1)

3.12.020 **Scope of authority.**

A. The purchasing agent shall have the power and it is his or her duty to purchase or contract for supplies and contractual services needed by any agency of the city and sell surplus personal property of such agencies, in accordance with the ordinances of the city and such rules and regulations as shall be prescribed by the city manager and approved by the council.

B. The purchasing agent shall have the authority to join with other units of governments in cooperative purchasing ventures when the best interests of the city would be served. (Ord. 93-12 § 1, 1993; prior code Ch. 47, § 2)

Chapter 3.16

CITY CONTRACTS AND BIDDING
PROCEDURES

Sections:

- 3.16.010 Purposes.
 3.16.020 General contracting procedures.
 3.16.030 Competitive bidding procedures.
 3.16.040 Transaction with municipal officials and employees.

3.16.010 Purposes.

This chapter should be construed to promote its purposes of maximizing fair and open competition and discouraging collusive bidding for city contracts consistent with the efficient operation of city government and to maximize the purchasing value of city funds. (Prior code Ch. 48, § 1)

3.16.020 General contracting procedures.

A. The city may, pursuant to an award, contract with any person to acquire supplies, services, professional services or construction required by the city.

B. No contract shall be approved unless the city treasurer has certified the availability of funds to pay for the contract.

C. Any contract in excess of twenty-five thousand dollars must be approved by the city council and awarded by ordinance. It shall be signed by the mayor or his designee. Such contract shall set forth the following:

1. The identify of the contractor;
2. The contract price;

3. The nature and quantity of performance;

4. The agency which will use the funds;

5. Time for performance.

D. Any amendment to a contract which results in a commitment by the city in excess of twenty-five thousand dollars must have council approval and be signed by the mayor or his designee.

It shall also be certified by the city treasurer that funds are available for its payment.

E. The purchasing agent shall make actual purchases, but an agency requesting a contract shall also have the power to administer the funds.

F. The city council may approve a contract for construction management services which delegates to the contractor the power to make purchases on behalf of the city. So long as the contract for construction management services is properly approved and entered into, and notwithstanding anything in this chapter to the contrary, the construction manager shall thereafter be empowered to make purchases in excess of twenty-five thousand dollars on behalf of the city, subject only to the contract provisions. (Prior code Ch. 48, § 2)

3.16.030 Competitive bidding procedures.

A. All city contracts for supplies, services, professional services or construction in excess of twenty-five thousand dollars shall be awarded by competitive bidding, following the procedure outlined below, to ascertain the lowest responsive and responsible bidder:

1. A contract will be awarded by the city only to a bidder which is determined to be a responsible bidder, based on his or her

skill and experience in doing that kind of work his or her record for honesty and integrity, his or her capacity to perform the contract in terms of facilities, personnel and financing available;

2. The city shall issue an invitation for bids, stating all the specifications and contractual terms and conditions applicable to the procurement;

3. The city shall give public notice in a publication of general circulation at least fourteen days before the last day on which bids are to be accepted. Public notice shall also be mailed to a sufficient number of prospective bidders from a mailing list to be kept current by the city. The notice shall state all specifications and contractual terms and conditions applicable to the procurement and shall also state the procedures for submitting and accepting bids. Failure of any person to receive notice will not affect the validity of any award or contract made by the city.

4. Sealed bids must be mailed or delivered to the place specified in the notice by the time specified. They will be opened in public in the presence of one or more witnesses at the time and place designated in the notice and invitation for bids. All bids shall be tabulated, recorded and kept for public inspection.

5. A contract shall be awarded by written notice to the lowest responsive and responsible bidder who meets the requirements set out above. The city may reject all bids or reduce the scope of the contract if it determines that the cost of the project as originally specified is too high. If bids are substantially equal, preference may be given to local bidders.

B. All contracts for supplies, services, professional services and construction less

than twenty-five thousand dollars may be obtained on the open market without formal advertisement or bidding. The city's purchasing agent shall solicit at least three price quotations when possible, and the contract should be given to the lowest responsive and responsible bidder. Records shall be kept of all open market bids and awards. (Prior code Ch. 48, § 3)

3.16.040 Transaction with municipal officials and employees.

A. Should any official or employee of the city desire or intend to have business dealings with the city for which he or she will be compensated, in addition to salary, he or she must file with the city clerk a statement under oath including the nature of the proposed transaction and the extent of his or her interest, direct or indirect, in the transaction.

B. The statement shall be posted in at least one public place.

C. The city shall take no action on the contract until ten days after the statement has been filed and seven days after it has been posted. If any objection is made to the transaction, the council must approve the acceptability of the transaction of ordinance, signed by the mayor.

D. The provisions of this section shall also apply if a city official or employee intends to enter into business dealings on behalf of the city with any member of his or her family. (Prior code Ch. 48, § 4)

Chapter 3.20

SALES TAX

Sections:

3.20.010	Sales tax levy.
3.20.020	Definitions.
3.20.030	Sales tax schedule.
3.20.040	Exemptions.
3.20.050	Exemption procedures.
3.20.060	Seller to collect sales tax.
3.20.070	Filing returns.
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3.20.090	Delinquency and failure to submit return.
3.20.100	Assessment limitation periods and recordkeeping.
3.20.110	Seller's compensatory collection discount.
3.20.120	Lien for tax, interest and penalty due.
3.20.130	Sale of business, final tax return and liability of purchaser.
3.20.140	Rules and regulations.
3.20.150	Refund of sales tax.
3.20.160	Violation—Penalty.

3.20.010 Sales tax levy.

A. A sales tax is levied on all sales, rents and service made on credit, at the rate of three percent of the selling price, rental charge or fee for service.

B. The sales tax of the three percent collected shall be distributed as follows:

1. The two percent of the three percent shall be placed into the general fund;
2. The one percent of the three percent shall be placed into the water and sewer reserve fund, and no funds shall be taken

from this account without prior approval from the city council. (Ord. 97-2 § 2, 1997: prior code Ch. 70, § 1)

3.20.020 Definitions.

For the purpose of this chapter, the following words or phrases have the meaning set forth below:

"Buyer" means the person who, in the ordinary meaning of the term, takes title to, takes possession of or buys property, or receive services, including, but without limiting the generality of the term, electric power, telephone services, air charter or other transportation service originating in the city, for consideration. The term includes, without limiting the scope thereof, every individual, receiver, assignee, trustee in bankruptcy, trust estate, firm, copartnership, joint venture, club, company, business trust, corporation, association, society or any group of individuals acting as a unit, whether mutual, cooperative, fraternal, nonprofit or otherwise.

"Rental" means the transfer for consideration, other than by sale, of any property right from the seller to the buyer, including without limitation the temporary right to use and enjoyment of buildings, equipments, vehicles, storage, tie up, parking or docking space for vehicles, vessels, equipment, supplies or other tangible goods.

Sale. For purposes of determining whether a transaction is taxable as a sale, as that term is used in this chapter, "sale" means the transfer of rights in property from a seller to a buyer for consideration, and shall include, though not by way of limitation on the generality of the foregoing:

1. Selling property; or

3.20.020

2. Renting, leasing or letting of real or personal property accommodations, facilities or services of any nature whatsoever; or

3. Charging admissions to any place of amusement, entertainment or exhibition, or for the privilege of entering or staying in any place of amusement, inclusive of admission of amusement to theaters, exhibitions, games, races and any place where a

charge is made through any selling of tickets, gate charges, seat charges or receipts of anything of value measured on an admission or length of stay basis; or

4. Rendering occupational or professional services of any nature whatsoever, including any portion of the fee for such service which represents the value of materials or equipment used in connection therewith; or

5. Furnishing materials and rendering services in connection therewith to accomplish the installation, construction, repair or completion of a specific end product or project.

6. Construction and selling or selling of real estate comprising parcels of land and buildings or improvements thereto, either separately or conjunctively; or

7. Sales consummated as a result of the soliciting of business, either directly or indirectly, as a representative or agent of a manufacturer, wholesaler, retailer or distributor of merchandise, or by the distribution of catalogs or other advertising matter, or by any means whatsoever, and by reason thereof receiving orders for property from buyers or consumers for use, consumption or distribution for use, consumption or storage within the city; or

8. Selling or furnishing, preparing and serving food or beverages, alcoholic or nonalcoholic, for consumption on or off the premises of the seller; or

9. Provision for consideration of utility services consumed, utilized or enjoyed within the city, including electrical power, telephone, water, sewer and refuse collection services; or

10. Provision for consideration of docking, boat tie-up or other similar facilities; or

11. Provision for consideration of freight, storage or warehouse facilities; or

12. Money collected for the use or play of any coin-operated machine, or the sale of any goods dispensed by such machine; or

13. Provision of any transportation services originating in the city, including any charges attributable to the use of any land, sea or air craft, vehicle or vessel, fuel consumed or labor provided in connection with such service for hire, whether the service is for the transport of goods or people, and regardless of whether such service is provided on a scheduled or unscheduled basis.

“Sale of services” means the furnishing for consideration of labor and materials for accomplishing a specific result. It includes the provision, for consideration, or electrical power, telephone equipment and communications, water, sewer, refuse collection and transportation of people and goods originating in the city. It does not include salaries or wages received by employees in exchange for labor performed for an employer.

“Sale within the city” means any sale resulting from an offer made from the seller to the buyer within the city and/or accepted by the buyer within the city, or the transfer of title of any property located within the city at the time of transfer, or the renting of any property located within the city, or the entering into within the city of any agreement for services which are performed, received or enjoyed wholly within the city regardless of where the agreement such service was entered into.

“Sales price” means the total consideration paid by the buyer to the seller in terms of money and, in the case of a sale involving an exchange of property, the fair market value of the property exchanged.

The levy rate shall be applied to the freight delivery, installation, service contract or any other charges whatsoever paid by the buyer so the seller, and the total gross sales of the seller shall be the measure of the amount to which the levy rate shall be applied.

"Seller" means and includes, without limitation on the generality of the term, every individual, receiver, assignee, trustee in bankruptcy, trust estate, firm, copartnership, joint venture, club, company, business trust, corporation, association, society or any group of individuals acting as a unit, whether mutual, cooperative, fraternal, nonprofit or otherwise, who transfers to a buyer title to, or possession of, any property rights, real or personal, or rents to any buyer, any real or personal property, tangible or intangible, or provides for consideration to a buyer any services as herein defined.

"Quarterly return," as used in this chapter, includes both the return required to be filed pursuant to Section 3.20.080 (A) and (B), and any monthly return required to be filed in accordance with Section 3.20.080. (Prior code Ch. 70, § 2)

3.20.030 Sales tax schedule.

A. The following sales tax schedule shall be used by seller in computing the tax due and to be paid by a buyer.

B. Seller shall add to the selling price, rent or service charge, and collect from the buyer at the time of payment, an amount of tax calculated in accordance with the following schedule:

Taxable Transaction	Amount of Tax
Under .17	No Tax
.17 — .49	.01
.50 — .83	.02
.84 — 1.16	.03
1.17 — 1.49	.04
1.50 — 1.83	.05
1.84 — 2.16	.06

Taxes on larger amounts shall be computed at the rate of three percent of the dollar amount of the transaction, plus a tax on the last fractional dollar of the transaction which is calculated by use of the schedule provided above. For example, the tax on a transaction of \$50.17 would be \$1.51, calculated as follows: 3% of \$50.00 = \$1.50, and under the schedule above, the tax on the last .17 of the transaction would be .01. Similarly, the tax on a transaction of \$50.01 to \$50.16 would be \$1.50, the tax on a transaction of \$50.17 to \$50.49 would be \$1.51, the tax on a transaction of \$50.50 to \$50.83 would be \$1.52, and the tax on a transaction of \$50.84 to \$51.16 would be \$1.53. (Ord. 93-14 § 1, 1993; prior code Ch. 70, § 3)

3.20.040 Exemptions.

The tax levied under this chapter shall not apply to the following exempt transactions:

A. Sales and services charged of less than thirty-five cents;

B. A casual and isolated sale not made in the regular course of business;

C. Trade in Sale. The value of new or used articles taken in trade as a credit or part payment on the sale of new articles shall be deductible from the total sales price

of the new article, and a tax paid only on the net sales price;

D. The sale or rental of property or service by a church, except where the sale is incidental to a business for profit;

E. Dues or fees paid to clubs, labor unions and fraternal organizations;

F. Sales, services, rentals and other transactions which the municipality is prohibited from taxing under the Constitution and laws of the United States or the state of Alaska;

G. Sales resulting from orders received from outside the city by mail, telephone or other similar public communication where delivery of the property ordered is made outside the city by mail or common carrier;

H. Sales of handmade Native handicrafts or artworks made from traditional materials by the artisan himself or herself, but not resale by those other than the maker;

I. Sales directly to the United States Government, the state of Alaska, its political subdivisions and the city or any departments thereof;

J. The sale of insurance and bonds guaranteed fidelity;

K. Loans of money and interest charged therefor;

L. Funeral charges and services, medical, dental, optometric, veterinary and hospital services, or sales of prescription medicines, oxygen used for medicinal purposes, blood or blood plasma, artificial devices designed or altered for the use of a particular crippled person, artificial limbs, eyes and organs, hearing aids, prescription eye glasses, artificial teeth sold by a dentist and materials used by a dentist in treatment, crutches and wheelchairs; provided, however, that services rendered by nurses, unless performed in a hospital or at the direction of a physician, and

services rendered by a druggist, pharmacist, barber, cosmetician and masseurs shall not be exempt;

M. Sale of food and beverages by the public schools;

N. Sales, services and rentals to or by any nonprofit corporation, organization or institution which has obtained a certificate of exemption as being organized exclusively for religious or charitable purposes;

O. Child day care, pre-elementary school and baby sitting services;

P. Wholesale sales and other sales for the purpose of resale;

Q. Sale of raw fish;

R. Sales tax exemption for the elderly:

1. Anyone sixty-five years of age or older may obtain from the city a registration card, which card entitles him or her to be exempted from the operation of the city sales tax.

2. No person who has duly applied for and received such a registration card may use it to obtain such tax exemption when the rents, retail purchases and services, and any or all of them, otherwise subject to the sales taxes, are used or consumed by any person or persons other than the person duly holding such a registration card, or his or her spouse.

3. No person who has not duly applied for and received such a registration card may use it to obtain such tax exemption; provided, however, that in the case that the person who is otherwise authorized to receive such a registration card is an invalid or otherwise physically unable to use the card, the city may issue a special card authorizing another person to use the special card for the benefit of the invalid person or the person who is otherwise physically unable to use the card.

4. Any person who violates the provisions of this section is guilty of a misdemeanor and, upon conviction thereof, such registration care

shall be surrendered to the court, which, in turn, shall return said card to the city for cancellation and destruction;

S. That portion of the selling price for a single unit or property or transaction in excess of one thousand dollars. (Ord. 99-03 § 2, 1999; prior code Ch. 70, § 4)

3.20.050 Exemption procedures.

A. The burden of establishing any tax exemption is on the claimant. No seller may allow an exemption for the reasons hereinafter stated unless the buyer first obtains a certificate of exemption and presents it to the seller at the time of the sale or identifies the certificate by giving its number. The recognized bases for an issuance of an exemption are those provided in the preceding section.

B. The seller shall indicate the certificate number on the sales slip and account for any such sale with respect to which he has not collected sales tax when he files his tax return as provided in this chapter. Application for an exemption certificate shall be signed by the buyer and clearly state the basis upon which the exemption is claimed with reference to this chapter.

C. A buyer or seller making any wilful misrepresentation in applying for an exemption certificate shall be liable for twice the amount of any taxes avoided by the use of such improperly obtained exemption. A seller failing to collect a tax on the business of the buyer's claimed exemption without verifying that the buyer possesses an exemption certificate shall be liable for twice the amount of the tax not collected in the event that the buyer does not in fact have such a certificate. A buyer refusing to pay the sales tax demanded by the seller on the basis of a false claim that he has been issued an exemption

certificate by the city shall be liable for five times the tax he should have paid. (Prior code Ch. 70, § 5)

3.20.060 Seller to collect sales tax.

A. A seller shall add to the three percent sales tax to the selling price which the seller collects at the time of the sale, rental or provision of services for consideration, or at the time of the collection with respect to credit transactions.

B. If the buyer refuses to pay the tax, seller is exempt from any violations or penalties otherwise imposed by this chapter; provided, that the seller make a report to the city concerning all facts known concerning the sale and refusal of the buyer to pay the tax, within three business days of the buyer's refusal. Otherwise, if the buyer refuses to pay the tax, the seller remains liable to the city therefor. The tax is a debt from the buyer to the seller until paid and is recoverable at law in the same manner as any other debt. The buyer is liable to the city for the tax notwithstanding the seller's duty to collect the tax.

C. The tax shall be stated separately on any sales receipt, sales slip, rent receipts, charge tickets, invoices, statement of account or other document of sale reciting the sale price.

D. A seller failing to demand from the buyer, or a buyer refusing without good grounds to pay the sales tax provided for in this ordinance, shall be liable for twice the amount of the tax otherwise due in connection with the transaction.

In the case of coin-operated machine sales of goods or services, tax shall be

presumed to be part of the gross amount collected through the coin deposits of customers, and a quarterly return shall be filed showing the percentage calculation and remitting the amount due.

E. Where sales are made on an installment basis, the applicable tax shall be collected and remitted to the city in proportion to the amount actually paid during the period covered by the return, rather than on the stated but unpaid balance of the purchase price. (Prior code Ch. 70, § 6)

3.20.070 Filing returns.

A. Every seller or person rendering services for compensation of renting property shall, on or before the last day of the month succeeding the end of each quarter year ending March 31st, June 30th, September 30th and December 31st, make out a return for the preceding quarter year upon forms to be furnished by the city of Emmonak, and such return shall set forth the total amount received during such preceding quarter of all sales, rents and services, regardless of whether such transactions are taxable or exempt under this chapter, the amount of tax due and such other information as is called for by the form provided by the seller or his authorized agent, and such signature shall constitute a certification that the information included therein is accurate and complete to the best of his or her knowledge.

B. Any person failing to file a return as required by this section shall be subject to the civil penalties set forth in Sections 3.20.080 and 3.20.090, in addition to the criminal penalties provided in Section 3.20.160. (Prior code Ch. 70, § 7)

3.20.080 Tax payments.

A. The quarterly or monthly installment of the tax levied under this chapter, whether or not collected from the buyer, shall be paid by the seller to the city at the time the return is required to be filed pursuant to Section 3.20.070 (A), and if not so paid such tax shall forthwith become delinquent. A penalty of twenty percent of such tax shall be added to the tax for the first month or fraction thereof of delinquency, and an additional ten percent for each additional month or fraction thereof of delinquency until a total penalty of fifty percent has accrued. Such penalty shall be assessed and collected in the same manner as the tax is assessed and collected. In addition to the aforesaid penalty, interest at the rate of fifteen percent per year on the delinquent tax, from the date of delinquency until paid, shall accrue and be collected in the same manner as the delinquent tax is collected.

B. The city manager, with the approval of the city council, may waive the penalties provided for herein under appropriate circumstances; provided, that a request for an extension of the time for the payment of the tax is applied for by the taxpayer prior to the deadline for payment of the quarterly tax installment; and further provided, that a satisfactory schedule of the same penalty provisions set forth herein shall apply to any failure of a taxpayer to meet the mutually agreed upon schedule for late payments. (Ord. 93-14 § 2, 1993; prior code Ch. 70, § 8)

3.20.090 Delinquency and failure to submit return.

A. Whenever any seller has become delinquent in the submission of the required quarterly return for a period of thirty days,

the city shall make written demand by certified mail, return receipt requested, upon such delinquent seller for the submission of the required sales tax return within ten days, and in the event of noncompliance with such demand, the city shall forthwith file a complaint against the delinquent seller in the district court in the city for violation of this chapter. Concurrently, the city shall make a tax assessment against the delinquent seller, the assessment to be based on the estimate of the gross revenue received by the seller during the quarterly period in question, and such assessment shall be the subject either of a small claims action filed in the district court in the city or a superior court action filed in the city of Anchorage, depending upon the amount of the estimated delinquency, including penalties and interest. The city shall make the best estimate possible of the amount of tax due based on the information available to it, and the burden shall be upon the taxpayer to establish that the amount due is less than estimated by the city; provided, that such burden may only be satisfied by the filing of an accurate tax return supported by satisfactory records, indicating a lesser liability.

B. Whenever any seller fails to submit the required quarterly return after notice given as provided in subsection A of this section, or such return is reasonably believed by the city to contain incorrect reporting, the city is entitled to inspect the seller's books, papers and records pertaining to gross revenue, at a reasonable time and place, in order to make a determination of the seller's sales tax liability, if any, and in the event that the seller does not make such records available, he shall be subject to a penalty of three times the amount of any

deficiency found or estimated by the city to exist. (Prior code Ch. 70, § 9)

3.20.100 Assessment limitation periods and recordkeeping.

A. The amount of any tax imposed under this chapter may be determined and assessed for a period of three years after the tax became due and payable the beginning of the three-year period shall be the day of the month corresponding to the expiration date for submission of any quarterly return period prescribed by this chapter; provided, however, that no suit or other proceeding for the collection of such tax shall be begun after the expiration of such period; and further provided, that the running of such period shall be tolled for any period during which the taxpayer shall have failed a return required by this chapter, or shall have furnished the city with a knowingly misleading or inaccurate tax return, or other tax record upon which the city has reasonably relied, or in any other way concealed from or prevented the city from discovering and assessing such tax liability.

B. In order to facilitate the administration and enforcement of the provisions of this chapter, each seller or person otherwise engaged in business within the city shall maintain and keep for a period of three years all the quarterly sales tax reports, forms and records prescribed by this chapter, and such other records as are necessary to demonstrate the volume of taxable and nontaxable transactions conducted by that seller within any quarterly period. Seller shall make such records available for the inspection of the city manager or his authorized designee at reasonable times and places, in order that the seller's compliance with

the provision of this chapter may be verified.

C. Failure to maintain the records required under this chapter or the regulations promulgated hereunder, or refusal to allow their inspection at reasonable times and places shall subject the seller to a penalty amounting to twice the amount of any estimated deficiency in connection with which examination of the records by the city is required.

D. Falsification or knowing misrepresentation of any record required to be maintained under this ordinance subjects the person making falsification or misrepresentation to a penalty of one hundred times any tax due or lost because of such falsification or misrepresentation, up to a maximum penalty of one thousand dollars. (Prior code Ch. 70, § 10)

3.20.110 Seller's compensatory collection discount.

Any seller whose return and remittance are both timely filed with the city is entitled to deduct from the amount paid three percent of the total tax due as a discount to partially offset the cost of collection; provided, that the calculation and fact of the deduction shall be set forth in the space provided on the quarterly tax return forms. Sellers granted extensions of time for payment under Section 3.20.080 shall not be eligible for such discount. (Prior code Ch. 70, § 11)

3.20.120 Lien for tax, interest and penalty due.

The tax, interest and penalty imposed under this chapter shall constitute a lien in favor of the city upon all property of the person owing the tax. The lien arises upon

delinquency and continues until the liability is satisfied or the lien is foreclosed. The lien is not valid as against a mortgagee, pledges, purchaser or judgment lien creditor until notice of the lien is filed in the office of the recorder for the recording district in the manner provided for federal tax liens under Alaska Statutes 43.10.090 through 43.10.150, which by this reference are incorporated herein as set forth in full. (Prior code Ch. 70, § 12)

3.20.130 Sale of business, final tax return and liability of purchaser.

If any seller sells out his business to another person, he shall make a final sales tax return within fifteen days after the date of selling the business; and his purchaser, successor, successors or assigns shall withhold a sufficient portion of the purchase money to safely cover the amount of such sales taxes, penalties and interest as may be due and unpaid to the city, 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 price such funds as are herein required, he shall be personally liable for the payment of the taxes, penalties and interest accruing and unpaid to the city on account of the operations of the business by any further owner, owners or assigns as shown by the final return or an audit conducted by the city within thirty days of the filing of the final return. Before any such sale is completed, the buyer and seller shall send to the city, by registered first-class United States mail, postage prepaid, a copy of the notice referred to in Alaska Statutes 45.05.552, which statute is made a part of this chapter and such notice shall be so sent

regardless of whether such notice would have otherwise been required under the other provisions of Alaska Statutes 45.05.510. (Prior code Ch. 70, § 13)

3.20.140 Rules and regulations.

A. The city manager shall from time to time cause to be promulgated such rules and regulations as are necessary and advisable to provide for the application and interpretation of this chapter, including the adoption of exemption, tax return or other necessary forms, and shall submit them to the council for its review. Such regulations shall become effective thirty days after submission, unless formally rejected by the council, and the city manager shall be responsible for providing the public affected by such rules with adequate notice of their content and application. Any regulation so promulgated shall be enforceable in the same manner as this chapter, provided, however, that it may be revoked by the city manager by the same procedure herein provided for its enactment.

B. All rules and regulations promulgated to this authority shall be kept on file and available for public inspection in the same place and manner as this chapter. (Prior code Ch. 70, § 14)

3.20.150 Refund of sales tax.

A. If a buyer believes he was entitled to one or more of the exemptions provided in this act, or if a buyer or seller believes that through error he has paid too much tax, application may be made to the city for a refund. The application shall set forth the identity of the taxpayer, the date and amount of the alleged overpayment, and the specific grounds upon which a claim for refund is being made. The burden shall be upon the buyer to demonstrate that the

transaction upon which the tax was paid was in one of the exempt categories provided by this chapter.

B. If the amount of refund claimed is one hundred dollars or less, the city manager shall determine whether or not to make the refund, but if the amount is in excess of one hundred dollars, the city manager shall present the claim to the city council for its review and action. After review by the council, it shall either authorize payment or reject the application for refund and shall take appropriate action by duly adopted motion.

C. The procedure set forth in this section is the sole and exclusive procedure whereby a refund may be made, and having first duly complied therewith is a condition precedent to a suit to recover said taxes. Any claim for refund as provided herein shall be filed with the city in writing within one year from the due date of the tax paid, or be forever barred. (Prior code Ch. 70, § 15)

3.20.160 Violation—Penalty.

In addition to the civil penalties and interest for delinquencies as provided in Sections 3.20.080 and 3.20.090, intentional commission of any of the following acts constitutes a misdemeanor and is a violation of this chapter punishable by a fine of no more than five hundred dollars for each violation:

A. Failure of a seller to file a tax return as required by this chapter;

B. Failure of a buyer to pay the tax levied herein at the request of this chapter;

C. Failure of the seller to remit to the city the amounts, collected from buyer or not, due under this chapter;

D. Failure of seller to require exhibition of a buyer's exemption certificate before honoring an exemption;

E. Filing by a seller of a quarterly tax return containing any knowingly false statements;

F. Falsification or misrepresentation of, or failure to maintain any records required to be maintained and made available for city inspection in connection with enforcement of this chapter; or

G. Making of a knowingly false representation to the city in order to obtain an exemption certificate. (Prior code Ch. 70, § 16)