

Proposed by:	Administration
First Reading:	02/21/2008
Second Reading:	03/06/2008
Vote: 5 Aye	0 Nay 1 Absent

MUNICIPALITY OF SKAGWAY, ALASKA

ORDINANCE NO. 08-08

AN ORDINANCE OF THE MUNICIPALITY OF SKAGWAY, ALASKA AMENDING SECTION 4.08.060, EXEMPTIONS FROM TAX TO CLARIFY THE EXEMPTION OF THE SALES FOR PURCHASE OF FOODS QUALIFIED UNDER THE FEDERAL FOOD STAMP PROGRAM.

WHEREAS, Amendments are needed to clarify the exemption of foods qualified under the Federal Food Stamp Program;

BE IT ORDAINED AND ENACTED BY THE MUNICIPALITY OF SKAGWAY, ALASKA AS FOLLOWS:

Section 1. Classification. This ordinance is of a general and permanent nature and shall become a part of the Skagway Municipal Code.

Section 2. Purpose. To amend Section 4.08.060, Exemptions from tax to clarify language for the sales for purchase of foods qualified under the Federal Food Stamp program. The Skagway Municipal Code is hereby amended (~~strike through~~) indicates text to be deleted from, and **bold** indicates text added to the current code as follows:

Section 3. Amendment. Section 4.08.060 (25), Exemptions from tax hereby amended as follows:

4.08.060 Exemptions from tax.

25. Sales for purchase of foods qualified under the Federal Food Stamp program. The exemption does not apply to meals prepared in restaurants, cafes, inns or other dining establishment. The exemption does not apply to non-food items purchased.

Businesses eligible to exempt sales tax on foods must meet one of the criteria below:

a. Be registered with the USDA Food Stamp Program; or

b. More than one-half (50%) of the total dollar amount of all things (food, nonfood, gas and services) sold in the store must be from the sale of eligible staple foods.

(1) Staple foods are: Meat, poultry or fish; Bread or cereal; Vegetables or fruits; and Dairy products. Staple foods do not include accessory foods such as coffee; tea; cocoa; soda; non-carbonated drinks such as sports drinks, punches, and flavored waters; candy; condiments; spices; hot foods; or, prepared foods like sandwiches or salads.

Section 4. Severability. If any provision of this ordinance or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

MUNICIPALITY OF SKAGWAY, ALASKA
ORDINANCE NO. 08-08
PAGE 2 OF 2

Section 5. Effective Date. This ordinance shall become effective immediately upon adoption.

PASSED AND APPROVED by a duly constituted quorum of the Borough Assembly of the Municipality of Skagway this 6th day of March, 2008.

Thomas D. Cochran, Mayor

ATTEST:

Marjorie D. Harris, Borough Clerk

(SEAL)