

FAILED 05/06/2010

Proposed by:	Administration/Assemblyman Henry
Attorney Review:	02/19/2010
First Reading:	03/04/2010
Second Reading:	05/06/2010
Vote:	0 Aye 6 Nay 0 Absent

**MUNICIPALITY OF SKAGWAY, ALASKA
ORDINANCE NO. 10-02**

AN ORDINANCE OF THE MUNICIPALITY OF SKAGWAY, ALASKA AMENDING CHAPTERS 4.08.010, LEVY OF TAX AND 4.08.060, EXEMPTIONS FROM TAX TO INCLUDE CERTAIN SALES MADE OUTSIDE OF THE MUNICIPALITY.

NOW THEREFORE 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 Chapter 4.08.010(A), Levy of Tax, and 4.08.060, Exemptions of Tax, to make clear that the imposition of tax on goods sold is required regardless of where the sale is made if the retailer maintains a physical presence in the municipality and where the delivery of the tangible good sold takes place within the municipality. The Skagway Municipal Code is hereby amended: (~~strike through~~) indicates text to be deleted from, and (**bold underscore**) indicates text added to the current code.

Section 3. Amendment. Chapters 4.08.010(A), Levy of Tax, and 4.08.060(A), Exemptions from Tax, are hereby amended as follows:

4.08.010 Levy of tax. A sales tax is hereby assessed and levied on the following sales, subject to the specific exemptions in Section 4.08.060:

- A. All retail sales made within the city municipality, and all retail sales made outside the municipality by a retailer who both:
1. Maintains a physical presence in the municipality and
 2. Where the delivery of the goods sold occurs within the Municipality;

4.08.060 Exemptions from tax.

- A. The following transactions are exempt from the tax herein levied:
18. All sales for consumption outside the city municipality in response to mail order requests originating outside city borough limits, **except for those sales made outside the municipality by a retailer who both maintains a physical presence in the municipality and where delivery of any tangible items sold occurs within the municipality;**

Section 4. Severability. If any provision of this ordinance or any application of the ordinance 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.

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Section 5. Effective Date. This ordinance shall become effective upon adoption of the Borough Assembly.

PASSED AND APPROVED by a duly constituted quorum of the Borough Assembly of the Municipality of Skagway this _____ day of _____, 2010.

Thomas D. Cochran, Mayor

ATTEST:

Marjorie D. Harris, Borough Clerk

(SEAL)