



**CITY OF NORTH POLE**  
**Regular Meeting**  
**March 1, 2021**  
**North Pole Council Chambers**  
**125 Snowman Lane, North Pole, Alaska**  
[www.northpolealaska.com](http://www.northpolealaska.com)

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***Monday, March 1, 2021***  
**Committee of the Whole: 6:30 PM**  
**Regular City Council Meeting: 7:00 PM**

**MAYOR**

Michael Welch  
488-8584

**CITY CLERK**

Aaron M. Rhoades  
488-8583

**COUNCIL MEMBERS**

Thomas McGhee – Mayor Pro Tem	455-0010
Aino Welch – Deputy Mayor Pro Tem	488-5834
Perry Walley – Alt. Deputy Mayor Pro Tem	347-0135
DeJohn Cromer	347-2808
David Skipps	750-5106
Santa Claus	388-3836

- 1. Call to Order/Roll Call**
- 2. Pledge of Allegiance to the US Flag**
- 3. Invocation**
- 4. Approval of the Agenda**
- 5. Approval of the Minutes**
  - a. February 16, 2021 (Pg. 3)**
- 6. Communications from the Mayor**
- 7. Council Member Questions of the Mayor**
- 8. Communications from Department Heads, Borough Representative and the City Clerk**
- 9. Ongoing Projects Report**
  - a. Total Compensation Project Committee Meeting Report**

- b.NPPD Covid Processing/Decontamination Facility Update
- c. Alaska Housing and Finance Corporation Renter Assistance Program

**10. Citizens Comments (Limited to five (5) minutes per Citizen)**

**None**

**11. Old Business:**

- a. Ordinance 21 – 02 An Ordinance of the City of North Pole, Alaska to Amend Title 4 Revenue and Finance of the City of North Pole’s Code to Adopt Section 4.08.200 – 4.08.500 The Uniform Alaska Remote Sellers Tax Code. (Pg. 9)

**12. New Business:**

- a. Ordinance 21 – 04 An Ordinance Amending Title 13 Public Services, To Re-establish 13.24.040 Utility Customer Emergency Payment Funds. (Pg. 37)
- b. Resolution 21 – 3 A Resolution Adopting The City of North Pole’s Hazard Mitigation Plan. (Pg. 40)
- c. Request for North Pole Fire Department to use Sourcewell to Purchase New Fire Apparatus. (Pg. 42)
- d. Request to select Holiday Parks and use CARES Act Funds for Ventilation Upgrade to Fire Station.
- e. Request for Sales Tax Filing Status Change to Annual Return. (Pg. 44)

**13. Council Comments**

**14. Adjournment**

Detailed information and copies of agenda documents may be obtained at the Office of the City Clerk, 125 Snowman Lane or on the City website [www.northpolealaska.com](http://www.northpolealaska.com) . Notice of Council Action is available at City Hall and on the City website following the meeting.

**How to Offer Public Testimony at Council Meetings**

**Written testimony** is encouraged. You may submit your comments by calling the Clerk’s Office at 488-8583 or by sending an email to [arhoades@northpolealaska.org](mailto:arhoades@northpolealaska.org) prior to 1:00 p.m. the day of the meeting. Please indicate which agenda item you are providing written testimony for. Examples: Ordinance or Resolution number, agenda item#, or description of subject.

To sign-up for **telephonic testimony** call the Clerk’s Office at 488-8583 or email [arhoades@northpolealaska.org](mailto:arhoades@northpolealaska.org) prior to 1:00 p.m. the day of the meeting. Please indicate that you wished to be called, for what item you will provide testimony on, and what number you can be reached at.

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Inquiries concerning ADA compliance or accommodations should be directed to the City Clerk.



NORTH POLE CITY COUNCIL  
REGULAR MEETING MINUTES, FEBRUARY 16, 2021  
NORTH POLE CITY COUNCIL CHAMBERS  
125 SNOWMAN LANE, NORTH POLE, ALASKA

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Mayor Welch called the regular City Council meeting of Monday, February 16, 2021 to order at 7:00 p.m. with the following Council Members in attendance:

Council Members Present: Mayor Welch – Zooming In  
Santa Claus - Zooming In  
Thomas McGhee - Zooming In  
David Skipps - Zooming In  
Aino Welch - Zooming In  
DeJohn Cromer - Zooming In  
Perry Walley – Zooming In

Absent:

Excused:

Also Present: Steve Dutra, Police Chief – Zooming In  
Chad Heineken, Fire Chief – Absent/Excused  
William Butler, Director of City Services– Zooming In Abs/Exc  
Tricia Fogarty, Chief Financial Officer – Zooming In Abs/Exc  
Aaron M. Rhoades, City Clerk/HR Manager – Zooming In

**PLEDGE OF ALLEGIANCE TO THE FLAG**

Clerk Rhoades asked everyone to join him in the Pledge of Allegiance.

**INVOCATION**

The Invocation was given by Mr. Walley.

**APPROVAL OF AGENDA**

**Mr. McGhee moved to approve the agenda of February 16, 2021.**

**Seconded by Mrs. Welch**

**Seconded by Mrs. Welch**

**Discussion**

**None**

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO APPROVE THE AGENDA AS AMMENDED:

YES: 7 – Mr. McGhee, Mr. Skipps, Mr. Claus, Mrs. Welch, Mr. Cromer, Mr. Walley, Mayor Welch

NO: 0

ABSTAIN:

**Mayor Welch** declared the MOTION CARRIED

### **APPROVAL OF MINUTES**

**Mr. McGhee** *moved to approve the Minutes of February 1, 2020.*

**Seconded by Mrs. Welch**

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO APPROVE THE MINUTES FROM FEBRUARY 1, 2021 CITY COUNCIL MEETING:

YES: 7 – Mr. McGhee, Mr. Skipps, Mr. Claus, Mrs. Welch, Mr. Cromer, Mr. Walley, Mayor Welch

NO: 0

ABSTAIN:

**Mayor Welch** declared the MOTION CARRIED

### **COMMUNICATIONS FROM THE MAYOR**

- Joel Denham February 2021 North Pole High School Student of the Month
- Refinery Lounge Re-Opened by Benny Lin

### **COUNCIL MEMBER QUESTIONS OF THE MAYOR**

- Mr. Claus asked if progress had been made on the City Manager position description and Form of Government.
  - Mayor Welch explained that he had been working on this and was going to meet with the City Attorney.

### **COMMUNICATIONS FROM DEPARTMENT HEADS, BOROUGH REPRESENTATIVE AND THE CITY CLERK**

#### **Police Department, Chief Dutra**

- None

#### **Fire Department, Chief Heineken**

- COVID update.
  - Most FD staff are past the second dose of COVID Vaccination. Although we still have risk of exposure to COVID positive patients, being vaccinated now leaves the fire department less vulnerable.
  - The eligibility for vaccination has expanded recently, more City employees are now eligible. You can check eligibility at covidvax.alaska.gov
- Open Firefighter Position
  - Firefighter Calla Westcott has taken a position with a local clinic, this move will help her meet her career goals of becoming a registered nurse. FF Westcott has been a great employee and we wish her well.
  - The open Firefighter position was immediately posted, and we are currently in the process of testing and interviews to find qualified individuals for the position.
- Captain/Training officer Position
  - Application period has closed and we are in the process of testing and interviews. Both the Firefighter and Captain position should be filled within the next month.
- The Fire Department will have two items that will be on the March 1<sup>st</sup> agenda and would like to make council aware of these upcoming agenda items.
  - The Fire Department through its relationship with the International Fire Chiefs Association qualifies for using SourceWell cooperative purchasing to order a new fire department Pumper/Tanker. The use of this cooperative purchasing contract will be of benefit for North Pole by making the process more efficient and cost effective.
  - The ventilation System for the fire department has been evaluated by three different contractors to determine the best procedure for replacement or repairs. We will have a proposal and recommendation on the March 1<sup>st</sup> agenda for council approval.

**City Services, Bill Butler**

- None

**Finance, Tricia Fogarty**

- None

**Borough Representative**

- None

**City Clerk**

- Provided Total Compensation Project Committee more information on benefits.
- Continue to learn Clerk Role. Figured out number for Online Sales Tax Code Change.

- Working with insurance Broker RISQ to ensure City gets value for Benefits being offered.

**ONGOING PROJECTS**

- Total Compensation Project Committee Meeting Report
  - I. Municipal Solutions Inc. was approved for additional work not to exceed \$10,800.00 regarding job descriptions and classification system.
- NPPD Covid Processing/Decontamination Facility
- Alaska Housing and Finance Corporation Renter Assistance Program

**CITIZEN’S COMMENTS – (Limited to Five (5) minutes per Citizen)**

- None

**OLD BUSINESS**

- None

**NEW BUSINESS**

**MOTION TO INTRODUCE AND ADVANCE ORDINANCE 21 – 01 AN ORDINANCE OF THE CITY OF NORTH POLE, ALASKA TO AMEND TITLE 4 REVENUE AND FINANCE OF THE CITY OF NORTH POLE’S CODE BY ADOPTING SECTION 4.08.200 – 4.08.500 THE UNIFORM ALASKA REMOTE SELLERS TAX CODE**

**Mr. McGhee *moved to* Introduce and Advance Ordinance 21 – 01 An Ordinance of the City of North Pole, Alaska to Amend Title 4 Revenue and Finance of the City of North Pole’s Code by Adopting Section 4.08.200 – 4.08.500 The Unifrom Alaska Remote Sellers Tax Code.**

**Seconded by Mrs. Welch**

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO INTRODUCE AND ADVANCE ORDINANCE 21 – 01 AN ORDINANCE OF THE CITY OF NORTH POLE, ALASKA TO AMEND TITLE 4 REVENUE AND FINANCE OF THE CITY OF NORTH POLE’S CODE BY ADOPTING SECTION 4.08.200 – 4.08.500 THE UNIFORM ALASKA REMOTE SELLERS TAX CODE:

YES: 7 – Mr. McGhee, Mr. Skippis, Mr. Claus, Mrs. Welch, Mr. Cromer, Mr. Walley Mayor Welch

NO: 0

ABSTAIN:

**Mayor Welch** declared the MOTION CARRIED

**A MOTION TO AMEND RESOLUTION 21 – 02 A RESOLUTION ENCOURAGING THE ALASKA STATE LEGISLATURE TO INTRODUCE A BALLOT MEASURE FOR THE PEOPLE OF ALASKA TO EXERCISE THEIR CONSTITUTIONAL RIGHT TO VOTE ON TERM LIMITS FOR ALASKA STATE REPRESENTATIVES AND SENATORS**

**Mr. Walley *moved to Amend Resolution 21 – 02 A Resolution Encouraging the Alaska State Legislature to Introduce a Ballot Measure for the People of Alaska to Exercise Their Constitutional Right to Vote on Term Limits for Alaska State Representatives and Senators.***

**Seconded *by Mrs. Welch***

Amend Line 26 by removing “Senator Murkowski, Senator Sullivan, Representative Young” and replacing it with “Senator Mike Meyers and Representative Mike Prax”

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO AMEND RESOLUTION 21 – 02 A RESOLUTION ENCOURAGING THE ALASKA STATE LEGISLATURE TO INTRODUCE A BALLOT MEASURE FOR THE PEOPLE OF ALASKA TO EXERCISE THEIR CONSTITUTIONAL RIGHT TO VOTE ON TERM LIMITS FOR ALASKA STATE REPRESENTATIVES AND SENATORS:

YES: 7 – Mr. McGhee, Mr. Skipps, Mr. Claus, Mrs. Welch, Mr. Cromer, Mr. Walley Mayor Welch

NO: 0

ABSTAIN:

**Mayor Welch** declared the MOTION CARRIED

**A MOTION TO APPROVE RESOLUTION 21 – 02 A RESOLUTION ENCOURAGING THE ALASKA STATE LEGISLATURE TO INTRODUCE A BALLOT MEASURE FOR THE PEOPLE OF ALASKA TO EXERCISE THEIR CONSTITUTIONAL RIGHT TO VOTE ON TERM LIMITS FOR ALASKA STATE REPRESENTATIVES AND SENATORS**

**Mr. Walley *moved to Approve Resolution 21 – 02 A Resolution Encouraging the Alaska State Legislature to Introduce a Ballot Measure for the People of Alaska to Exercise Their Constitutional Right to Vote on Term Limits for Alaska State Representatives and Senators.***

**Seconded by Mrs. Welch**

**Discussion**

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO APPROVE RESOLUTION 21 – 02 A RESOLUTION ENCOURAGING THE ALASKA STATE LEGISLATURE TO INTRODUCE A BALLOT MEASURE FOR THE PEOPLE OF ALASKA TO EXERCISE THEIR CONSTITUTIONAL RIGHT TO VOTE ON TERM LIMITS FOR ALASKA STATE REPRESENTATIVES AND SENATORS:

YES: 7 – Mr. McGhee, Mr. Skipps, Mr. Claus, Mrs. Welch, Mr. Cromer, Mr. Walley Mayor Welch

NO: 0

ABSTAIN:

**Mayor Welch** declared the MOTION CARRIED

**Mr. McGhee** *moved to Adjourn*

The regular meeting of Tuesday, February 16, 2021 adjourned at 8:01p.m.

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Michael Welch, Mayor

**ATTEST:**

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Aaron M. Rhoades, City Clerk



**CITY OF NORTH POLE  
ORDINANCE NO. 21-02**

**AN ORDINANCE OF THE CITY OF NORTH POLE, ALASKA TO  
AMEND TITLE 4 REVENUE AND FINANCE OF THE CITY OF NORTH  
POLE'S CODE AND ADOPT SECTION 4.08.200 – 4.08.500 THE  
UNIFORM ALASKA REMOTE SELLER SALES TAX CODE**

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**WHEREAS**, the inability to effectively collect sales tax on sales of property, products, or services transferred or delivered into Alaska is seriously eroding the sales tax base of communities, causing revenue losses and imminent harm to residents through the loss of critical funding for local public services and infrastructure; and

**WHEREAS**, the harm from the loss of revenue is especially serious in Alaska because the State has no broad-based sales tax or income tax, and sales tax revenues are one of the primary sources of funding for services provided by local governments; and

**WHEREAS**, the failure to collect sales tax on remote sales creates market distortions by creating an unfair tax advantage for businesses that limit their physical presence in the taxing jurisdictions but still sell goods and services to consumers, which becomes easier and more prevalent as technology advances; and

**WHEREAS**, the failure to tax remote sales results in the creation of incentives for businesses to avoid a physical presence in the state and its respective communities, resulting in fewer jobs and increasing the share of taxes to those consumers who buy from competitors with a physical presence in the state and its cities; and

**WHEREAS**, the structural advantages for remote sellers, including the absence of point-of-sale tax collection, along with the general growth of online retail, make clear that erosion of the sales tax base is and has been occurring; and

**WHEREAS**, remote sellers who make a substantial number of deliveries into or have large gross revenues from Alaska benefit extensively from the Alaska market, affecting the economy as well as burdening local infrastructure and services; and

**WHEREAS**, delivery of goods and services into local municipalities rely on and burden local transportation systems, emergency and police services, waste disposal, utilities and other infrastructure and services; and,

**WHEREAS**, given modern computing and software options, it is neither unusually difficult nor burdensome for remote sellers to collect and remit sales taxes associated with sales into Alaska taxing jurisdictions; and

40 **WHEREAS**, due to the recent decision by the United States Supreme Court and the lack of a state sales  
41 tax it is appropriate for the municipalities to collectively amend their sales tax codes to account for remote  
42 sellers who do not have a physical presences either in the State of Alaska or in a specific taxing  
43 jurisdiction, but do have a taxable connection with the State of Alaska or taxing jurisdiction; and  
44

45 **WHEREAS**, this ordinance is not retroactive in its application; and  
46

47 **WHEREAS**, this ordinance provides a safe harbor to those who transact limited sales in Alaska; and  
48

49 **WHEREAS**, amending local sales tax codes reflects the 2018 Supreme Courts “*Wayfair*” decision to  
50 allow for the application of the taxing jurisdiction’s sales tax code requirements to sellers without a  
51 physical presence in the State of Alaska or taxing jurisdiction; and  
52

53 **WHEREAS**, the intents is to levy municipal sales tax to the maximum limit of federal and state  
54 constitutional doctrines; and  
55

56 **WHEREAS**, the City of North Pole has entered into a cooperative agreement with other local  
57 governments called the Alaska Intergovernmental Remote Sellers Sales Tax Agreement (“the  
58 Agreement”); and  
59

60 **WHEREAS**, the terms of the Agreement require adoption of certain uniform provisions for collection  
61 and remittance of municipal sales tax applicable to sales made by remote sellers similar to the Streamlined  
62 Sales and Use Tax Agreement; and  
63

64 **WHEREAS**, the function and powers of the Commission are set forth in the Agreement, a cooperative  
65 agreement between members approved by the City of North Pole under Resolutions No. 20-08.  
66

67 **Section 1. ENACTMENT.** NOW, THEREFORE, BE IT ENACTED by the City of North Pole that the  
68 General Code Title 4, entitled “Revenue and Finance”, be amended by adopting the title of Chapter 4.08  
69 Sales Tax to read Chapter 4.08 Sales Tax and Uniform Alaska Remote Seller Sales Tax, and adding Section  
70 4.08.200 – 4.08.500 entitled “Uniform Alaska Remote Seller Sales Tax”, to read as follows (deleted  
71 language stricken, new language underlined):  
72

73 **Title 4**  
74 **REVENUE AND FINANCE**

75 **Chapters:**  
76

- 77 **4.03 Budget Procedures**
- 78 **4.04 Fiscal Year**
- 79 **4.05 Fiscal Notes for Ordinances and Resolutions**
- 80 **4.06 Finance Charges**
- 81 **4.08 Sales Tax and Uniform Alaska Remote Seller Sales Tax**
- 82
- 83

\* \* \*

**Chapter 4.08.200**  
**UNIFORM ALASKA REMOTE SELLER SALES TAX**

Sections:

- 4.08.200
- 4.08.210 Interpretation.
- 4.08.220 Title to collected sales tax.
- 4.08.230 Imposition – Rate.
- 4.08.240 Obligation to collect tax - Threshold criteria.
- 4.08.250 No retroactive application.
- 4.08.260 Payment and collection.
- 4.08.270 Remote seller and marketplace facilitator registration requirement.
- 4.08.280 Tax filing schedule.
- 4.08.290 Estimated tax.
- 4.08.300 Returns – Filing contents.
- 4.08.310 Refunds.
- 4.08.320 Amended returns.
- 4.08.330 Extension for time to file tax return.
- 4.08.340 Audits.
- 4.08.350 Audit protest.
- 4.08.360 Penalties and interest for late filing.
- 4.08.370 Repayment plans.
- 4.08.380 Remote seller or marketplace facilitator record retention.
- 4.08.390 Cessation or transfer of business.
- 4.08.400 Use of information on tax return.
- 4.08.410 Violations.
- 4.08.420 Penalties for violations.

114 4.08.430 Remote Sellers with a physical presence in the taxing jurisdiction.

115 4.08.440 Remittance of tax—Remote seller held harmless.

116 4.08.450 Definitions

117 4.08.460 Supplemental definitions.

118

119

\* \* \*

120 **4.08.210 Interpretation.**

121 A. In order to prevent evasion of the sales taxes and to aid in its administration, it is presumed that all  
122 sales and services by a person or entity engaging in business are subject to the sales tax.

123

124 B. The application of the tax levied under this Chapter shall be broadly construed and shall favor  
125 inclusion rather than exclusion.

126

127 C. Exemptions from the tax levied under this Chapter or from the taxing jurisdiction shall be narrowly  
128 construed against the claimant and allowed only when such exemption clearly falls within an exemption  
129 defined in this Chapter or the taxing jurisdiction's Code.

130

131 D. The scope of this Chapter shall apply to remote sellers or marketplace facilitators, delivering  
132 products or services to Member municipalities adopting this Chapter, within the State of Alaska.

133

134 **4.08.220 Title to collected sales tax.**

135 Upon collection by the remote seller or marketplace facilitator, title to collected sales tax vests in the  
136 Commission for remittance to the taxing jurisdiction. The remote seller or marketplace facilitator remits  
137 collected sales tax to the Commission on behalf of the taxing jurisdiction, from whom that power is  
138 delegated, in trust for the taxing jurisdiction and is accountable to the Commission and taxing jurisdiction.

139

140 **4.08.230 Imposition - Rate.**

141 A. To the fullest extent permitted by law, a sales tax is levied and assessed on all remote sales where  
142 delivery is made within the local taxing jurisdiction(s) that is a Member, within the state of Alaska.

143

144 B. The applicable tax shall be added to the sales price.

145

146 C. The tax rate added to the sale price shall be the tax rate for the taxing jurisdiction(s) where the  
147 property or product is sold or service that was rendered is received, and based on the date the property or  
148 product was sold or the date the service rendered was received.

149

150 D. An Address and Tax Rate Database will be made available to remote sellers and marketplace

151 facilitators, indicating the appropriate tax rate to be applied.

152

153 E. The tax assessed shall be consistent with relevant jurisdictional tax caps, single unit sales, and  
154 exemptions.

155

156 F. When a sale is made on an installment basis, the applicable sales tax shall be collected at each  
157 payment, calculated at the sales tax rate in effect, and with the cap applied, at the time of the original sale  
158 or the date the service is rendered, based on the local jurisdictions' Code(s).

159

160 G. When a sales transaction involves placement of a single order with multiple deliveries made at  
161 different points in time that are separately invoiced, the applicable sales tax shall be collected on each  
162 separately invoiced delivery, calculated at the sales tax rate in effect, and with the cap applied, at the time  
163 of the original sale or the date the service is rendered.

164

165 **4.08.240 Obligation to collect tax - Threshold criteria.**

166 A. Any remote seller or marketplace facilitator must collect and remit sales tax in compliance with all  
167 applicable procedures and requirements of law, provided the remote seller or marketplace facilitator has  
168 met one of the following Threshold Criteria ("Threshold Criteria") in the previous calendar year:

169

170 1. The remote seller's statewide gross sales, including the seller's marketplace facilitator's  
171 statewide gross sales, from the sale(s) of property, products or services delivered into the state meets  
172 or exceeds one hundred thousand dollars (\$100,000); or

173

174 2. The remote seller, including the seller's marketplace facilitator, sold property, products, or  
175 services delivered into the state in two hundred (200) or more separate transactions.

176

177 B. For purposes of determining whether the Threshold Criteria are met, remote sellers or marketplace  
178 facilitators shall include all gross sales, from all sales of goods, property, products, or services rendered  
179 within the state of Alaska.

180

181 **4.08.250 No retroactive application.**

182 The obligations to collect and remit sales tax required by this Chapter are applicable at the effective date  
183 of the ordinance adopting the Alaska Remote Seller Sales Tax Code.

184

185 **4.08.260 Payment and collection.**

186 Pursuant to this Chapter, taxes imposed shall be due and paid by the buyer to the remote seller or  
187 marketplace facilitator at the time of the sale of property or product or date service is rendered, or with  
188 respect to credit transactions, at the time of collection. It shall be the duty of each remote seller or  
189 marketplace facilitator to collect the taxes from the buyer and to hold those taxes in trust for the taxing

190 authority of the taxing jurisdiction. Failure by the remote seller or marketplace facilitator to collect the  
191 tax shall not affect the remote seller's, or marketplace facilitator's, responsibility for payment to the  
192 Commission.

193

194 **4.08.270 Remote seller and marketplace facilitator registration requirement.**

195 A. If a remote seller's gross statewide sales within the last calendar year meets or exceeds the  
196 Threshold Criteria, the remote seller shall register with the Commission. If a marketplace facilitator's  
197 gross statewide sales within the last calendar year meets or exceeds the Threshold Criteria, the  
198 marketplace facilitator shall register with the Commission.

199

200 B. A remote seller or marketplace facilitator meeting the Threshold Criteria shall apply for a certificate  
201 of sales tax registration within thirty (30) calendar days of the effective date of this Chapter or within  
202 thirty (30) calendar days of meeting the Threshold Criteria, whichever occurs second. Registration shall  
203 be to the Commission on forms prescribed by the Commission.

204

205 C. An extension may be applied for and granted based on criteria established by the Commission,  
206 based on evidence produced to describe time necessary to update software or other technical needs, not to  
207 exceed ninety (90) days.

208

209 D. Upon receipt of a properly executed application, the Commission shall confirm registration, stating  
210 the legal name of the remote seller or marketplace facilitator, the primary address, and the primary sales  
211 tax contact name and corresponding title. The failure of the Commission to confirm registration does not  
212 relieve the remote seller or marketplace facilitator of its duty to collect and remit sales tax.

213

214 E. Each business entity shall have a sales tax registration under the advertised name.

215

216 F. The sales tax certificate is non-assignable and non-transferable.

217

218 **4.08.280 Tax filing schedule.**

219 A. All remote sellers or marketplace facilitators subject to this Chapter shall file a return on a form or  
220 in a format prescribed by the Commission and shall pay the tax due.

221

222 B. Filing of sales tax returns are due monthly; quarterly filing is optional upon application and approval  
223 by the Commission, consistent with the code of the local jurisdiction.

224

225 C. A remote seller or marketplace facilitator who has filed a sales tax return will be presumed to be  
226 making sales in successive periods unless the remote seller or marketplace facilitator files a return  
227 showing a termination or sale of the business in accordance with this Chapter.

228

229 D. The completed and executed return, together with the remittance in full for the tax due, shall be

230 transmitted to and must be received by the Commission on or before midnight Alaska Standard Time on  
231 the due date. Monthly returns are due the last day of the immediate subsequent month. Quarterly returns  
232 are due as follows:

233		
234	<u>Quarter 1 (January – March)</u>	<u>April 30</u>
235	<u>Quarter 2 (April – June)</u>	<u>July 31</u>
236	<u>Quarter 3 (July – September)</u>	<u>October 31</u>
237	<u>Quarter 4 (October – December)</u>	<u>January 31</u>

238  
239 E. If the last day of the month following the end of the filing period falls on a Saturday, Sunday,  
240 federal holiday, or Alaska state holiday, the due date will be extended until the next business day  
241 immediately following.

242  
243 F. Any remote seller or marketplace facilitator holding a remote seller registration shall file a sales tax  
244 return even though no tax may be due. This return shall show why no tax is due. If the remote seller or  
245 marketplace facilitator intends to continue doing business a return shall be filed reflecting no sales and a  
246 confirmation of the intent to continue doing business and shall continue to do so each filing period until  
247 the entity ceases doing business or sells the business. If the remote seller or marketplace facilitator  
248 intends to cease doing business, a final return shall be filed along with a statement of business closure.

249  
250 G. The remote seller or marketplace facilitator shall prepare the return and remit sales tax to the  
251 Commission on the same basis, cash or accrual, which the remote seller or marketplace facilitator uses in  
252 preparing its federal income tax return. The remote seller or marketplace facilitator shall sign the return,  
253 and transmit the return, with the amount of sales tax and any applicable penalty, interest, or fees that it  
254 shows to be due, to the Commission.

255  
256 H. Remote sellers and marketplace facilitators failing to comply with the provisions of this Chapter  
257 shall, if required by the Commission and if quarterly filing has been chosen, file and transmit collected  
258 sales taxes more frequently until such time as they have demonstrated to the Commission that they are or  
259 will be able to comply with the provisions of this Chapter. Six (6) consecutive on-time sales tax filings,  
260 with full remittance of the sales taxes collected, shall establish the presumption of compliance and return  
261 to quarterly filing.

262  
263 I. The preparer of the sales tax return shall keep and maintain all documentation supporting any and all  
264 claims of exempted sales and purchases. Documentation for exempted sales should include the number of  
265 the exemption authorization card presented by the buyer at the time of the purchase, the date of the  
266 purchase, the name of the person making the purchase, the organization making the purchase, the total  
267 amount of the purchase, and the amount of sales tax exempted. This documentation shall be made  
268 available to the Commission upon request. Failure to provide such documentation may invalidate that  
269 portion of the claim of exemption for which no documentation is provided.

270  
271 **4.08.290 Estimated tax.**

272 A. In the event the Commission is unable to ascertain the tax due from a remote seller or marketplace  
273 facilitator by reason of the failure of the remote seller or marketplace facilitator to keep accurate books,  
274 allow inspection, or file a return, or by reason of the remote seller or marketplace facilitator filing a false  
275 or inaccurate return, the Commission may make an estimate of the tax due based on any evidence in their  
276 possession.

277  
278 B. Sales taxes may also be estimated, based on any information available, whenever the Commission  
279 has reasonable cause to believe that any information on a sales tax return is not accurate.

280  
281 C. A remote seller's or marketplace facilitator's tax liability under this Chapter may be determined and  
282 assessed for a period of six (6) years after the date the return was filed or due to be filed with the  
283 Commission. No civil action for the collection of such tax may be commenced after the expiration of the  
284 six-year period except an action for taxes, penalties, and interest due from those filing periods that are the  
285 subject of a written demand or assessment made within the six-year period, unless the remote seller or  
286 marketplace facilitator waives the protection of this section.

287  
288 D. The Commission shall notify the remote seller or marketplace facilitator, in writing, that the  
289 Commission has estimated the amount of sales tax that is due from the remote seller or marketplace  
290 facilitator. The Commission shall serve the notice on the remote seller or marketplace facilitator by  
291 delivering the notice to the remote seller's or marketplace facilitator's place of business, or by mailing the  
292 notice by certified mail, return receipt requested, to the remote seller's or marketplace facilitator's last  
293 known mailing address. A remote seller or marketplace facilitator who refuses the certified mail will be  
294 considered to have accepted the certified mail for purposes of service.

295  
296 E. The Commission's estimate of the amount of sales tax that is due from a remote seller or  
297 marketplace facilitator shall become a final determination of the amount that is due unless the remote  
298 seller or marketplace facilitator, within thirty (30) calendar days after service of notice of the estimated  
299 tax:

300  
301 1. Files a complete and accurate sales tax return for the delinquent periods supported by  
302 satisfactory records and accompanied by a full remittance of all taxes, interest, penalties, costs, and  
303 other charges due; or

304  
305 2. Files a written notice with the Commission appealing the estimated tax amount in accordance  
306 with the appeal procedures.

307  
308 3. Arguments or reasons for failure to timely file a return and remit taxes collected shall not be  
309 considered a valid basis or grounds for granting an appeal. The basis and grounds for granting an  
310 appeal of an assessment are:

311  
312 a. The identity of the remote seller or marketplace facilitator is in error;

313  
314 b. The amount of the debt is erroneous due to a clerical error (and the nature and extent of the  
315 error is specified in the request for appeal); or



316  
317 c. The remote seller or marketplace facilitator disputes the denial of exemption(s) for certain  
318 sales.

319  
320 F. The amount of sales tax finally determined to be due under this section shall bear interest and  
321 penalty from the date that the sales tax originally was due, plus an additional civil penalty of fifty dollars  
322 (\$50) for each calendar month or partial month for which the amount of sales tax that is due has been  
323 determined.  
324

325 **4.08.300 Returns - Filing contents.**

326 A. Every remote seller or marketplace facilitator required by this Chapter to collect sales tax shall file  
327 with the Commission upon forms furnished by the Commission a return setting forth the following  
328 information with totals rounded to the nearest dollar:

329  
330 1. Gross sales;

331  
332 2. The nontaxable portions separately stating the amount of sales revenue attributable to each class  
333 of exemption;

334  
335 3. Computation of taxes to be remitted;

336  
337 4. Calculated discount (if applicable) based on taxing jurisdiction's code; and

338  
339 5. Such other information as may be required by the Commission.  
340

341 B. Each tax return remitted by a remote seller or marketplace facilitator shall be signed (digital or  
342 otherwise) by a responsible individual who shall attest to the completeness and accuracy of the  
343 information on the tax return.

344  
345 C. The Commission reserves the right to reject a filed return for failure to comply with the  
346 requirements of this Code for up to three (3) months from the date of filing. The Commission shall give  
347 written notice to a remote seller or marketplace facilitator that a return has been rejected, including the  
348 reason for the rejection.  
349

350 **4.08.310 Refunds.**

351 A. Upon request from a buyer or remote seller or marketplace facilitator, the Commission shall provide  
352 a determination of correct tax rate and amount applicable to the transaction. In the case of an overpayment

353 of taxes, the remote seller or marketplace facilitator shall process the refund and amend any returns  
354 accordingly.

355  
356 B. If the claimant is a remote seller or marketplace facilitator, and the tax refund is owed to any buyer,  
357 the remote seller or marketplace facilitator submits, and the Commission approves, a refund plan to all  
358 affected buyers.

359  
360 C. The Taxing Jurisdictions may allow a buyer to request a refund directly from the Taxing  
361 Jurisdiction.

362

363 **4.08.320 Amended returns.**

364 A. A remote seller or marketplace facilitator may file an amended sales tax return, with supporting  
365 documentation, and the Commission may accept the amended return, but only in the following  
366 circumstances:

367

368 1. The amended return is filed within one (1) year of the original due date for the return; and

369

370 2. The remote seller or marketplace facilitator provides a written justification for requesting  
371 approval of the amended return; and

372

373 3. The remote seller or marketplace facilitator agrees to submit to an audit upon request of the  
374 Commission.

375

376 B. The Commission shall notify the remote seller or marketplace facilitator in writing (by email or  
377 otherwise) whether the Commission accepts or rejects an amended return, including the reasons for any  
378 rejection.

379

380 C. The Commission may adjust a return for a remote seller or marketplace facilitator if, after  
381 investigation, the Commission determines the figure included in the original returns are incorrect; and the  
382 Commission adjusts the return within two (2) years of the original due date for the return.

383

384 D. A remote seller or marketplace facilitator may file a supplemental sales tax return, with supporting  
385 documentation, and the Commission may accept the supplemental return, but only in the following  
386 circumstances:

387

388 1. The remote seller or marketplace facilitator provides a written justification for requesting  
389 approval of the supplemental return; and

390

391 2. The remote seller or marketplace facilitator agrees to submit to an audit upon request of the  
392 Commission.

393

394 **4.08.330 Extension of time to file tax return.**

395 Upon written application of a remote seller or marketplace facilitator, stating the reasons therefor, the  
396 Commission may extend the time to file a sales tax return but only if the Commission finds each of the  
397 following:

398

399 1. For reasons beyond the remote seller's or marketplace facilitator's control, the remote seller or  
400 marketplace facilitator has been unable to maintain in a current condition the books and records  
401 that contain the information required to complete the return;

402

403 2. Such extension is a dire necessity for bookkeeping reasons and would avert undue hardship  
404 upon the remote seller or marketplace facilitator;

405

406 3. The remote seller or marketplace facilitator has a plan to cure the problem that caused the  
407 remote seller or marketplace facilitator to apply for an extension and the remote seller or  
408 marketplace facilitator agrees to proceed with diligence to cure the problem;

409

410 4. At the time of the application, the remote seller or marketplace facilitator is not delinquent in  
411 filing any other sales tax return, in remitting sales tax to the Commission or otherwise in violation  
412 of this chapter;

413

414 5. No such extension shall be made retroactively to cover existing delinquencies.

415

416 **4.08.340 Audits.**

417 A. Any remote seller or marketplace facilitator who has registered with the Commission, who is  
418 required to collect and remit sales tax, or who is required to submit a sales tax return is subject to a  
419 discretionary sales tax audit at any time. The purpose of such an audit is to examine the business records  
420 of the remote seller or marketplace facilitator in order to determine whether appropriate amounts of sales  
421 tax revenue have been collected by the remote seller or marketplace facilitator and remitted to the  
422 Commission.

423

424 B. The Commission is not bound to accept a sales tax return as correct. The Commission may make an  
425 independent investigation of all retail sales or transactions conducted within the State or taxing  
426 jurisdiction.

427

428 C. The records that a remote seller or marketplace facilitator is required to maintain under this chapter  
429 shall be subject to inspection and copying by authorized employees or agents of the Commission for the  
430 purpose of auditing any return filed under this Chapter, or to determine the remote seller's or marketplace  
431 facilitator's liability for sales tax where no return has been filed.

432

433 D. In addition to the information required on returns, the Commission may request, and the remote  
434 seller or marketplace facilitator must furnish, any reasonable information deemed necessary for a correct  
435 computation of the tax.

436

437 E. The Commission may adjust a return for a remote seller or marketplace facilitator if, after  
438 investigation or audit, the Commission determines that the figures included in the original return are  
439 incorrect, and that additional sales taxes are due; and the Commission adjusts the return within two (2)  
440 years of the original due date for the return.

441

442 F. For the purpose of ascertaining the correctness of a return or the amount of taxes owed when a  
443 return has not been filed, the Commission may conduct investigations, hearings, and audits, and may  
444 examine any relevant books, papers, statements, memoranda, records, accounts, or other writings of any  
445 remote seller or marketplace facilitator at any reasonable hour on the premises of the remote seller or  
446 marketplace facilitator, and may require the attendance of any officer or employee of the remote seller or  
447 marketplace facilitator. Upon written demand by the Commission, the remote seller or marketplace  
448 facilitator shall present for examination, in the office of the Commission, such books, papers, statements,  
449 memoranda, records, accounts, and other written material as may be set out in the demand unless the  
450 Commission and the person upon whom the demand is made agree to presentation of such materials at a  
451 different place.

452

453 G. The Commission may issue subpoenas to compel attendance or to require production of relevant  
454 books, papers, records, or memoranda. If any remote seller or marketplace facilitator refuses to obey any  
455 such subpoena, the Commissioner may refer the matter to the Commission's attorney for an application to  
456 the superior court for an order requiring the remote seller or marketplace facilitator to comply therewith.

457

458 H. Any remote seller, marketplace facilitator, or person engaged in business who is unable or unwilling  
459 to submit their records to the Commission shall be required to pay the Commission for all necessary  
460 expenses incurred for the examination and inspection of their records maintained outside the Commission.

461

462 I. After the completion of a sales tax audit, the results of the audit will be sent to the business owner's  
463 address of record.

464

465 J. In the event the Commission, upon completion of an audit, discovers more than five hundred dollars  
466 (\$500) in additional sales tax due from a remote seller or marketplace facilitator resulting from a remote  
467 seller's or marketplace facilitator's failure to accurately report sales and taxes due thereupon, the remote  
468 seller or marketplace facilitator shall bear responsibility for the full cost of the audit. The audit fee  
469 assessment will be in addition to interest and penalties applicable to amounts deemed to be delinquent by

470 the Commission at the time of the conclusion of the audit.

471

472 **4.08.350 Audit protest.**

473 A. If the remote seller or marketplace facilitator wishes to dispute the amount of the estimate, or the  
474 results of an examination or audit, the remote seller or marketplace facilitator must file a written protest  
475 with the Commission, within thirty (30) calendar days of the date of the notice of estimated tax or results  
476 of an audit or examination. The protest must set forth:

477

478 1. The remote seller's or marketplace facilitator's justification for reducing or increasing the  
479 estimated tax amount, including any missing sales tax returns for the periods estimated; or

480

481 2. The remote seller's or marketplace facilitator's reasons for challenging the examination or  
482 audit results.

483

484 B. In processing the protest, the Commission may hold an informal meeting or hearing with the remote  
485 seller or marketplace facilitator, either on its own or upon request of the remote seller or marketplace  
486 facilitator, and may also require that the remote seller or marketplace facilitator submit to an audit, if one  
487 was not previously conducted or a more formal audit, if an estimation audit was previously performed.

488

489 C. The Commission shall make a final written determination on the remote seller's or marketplace  
490 facilitator's protest and mail a copy of the determination to the remote seller or marketplace facilitator.

491

492 D. If a written protest is not filed within thirty (30) days of the date of the notice of estimated tax or the  
493 result of a review, audit, or examination, then the estimated tax, review, audit, or examination result shall  
494 be final, due and payable to the Commission.

495

496 **4.08.360 Penalties and interest for late filing.**

497 A. A late filing fee of twenty-five dollars (\$25) per month (or quarter) shall be added to all late-filed  
498 sales tax reports in addition to interest and penalties.

499

500 B. Delinquent sales tax bear interest at the rate of fifteen percent (15%) per annum until paid.

501

502 C. In addition, delinquent sales tax shall be subject to an additional penalty of five percent (5%) per  
503 month, or fraction thereof, until a total of twenty percent (20%) of delinquent tax has been reached. The  
504 penalty does not bear interest.

505

506 D. Penalties and interest shall be assessed and collected in the same manner as the tax is assessed and  
507 collected, and applied first to penalties and interest, second to past due sales tax.

508

509 E. The filing of an incomplete return, or the failure to remit all tax, shall be treated as the filing of no  
510 return.

511

512 F. A penalty assessed under this section for the delinquent remittance of sales tax or failure to file a  
513 sales tax return may be waived by the Commission, upon written application of the remote seller or  
514 marketplace facilitator accompanied by a payment of all delinquent sales tax, interest, and penalty  
515 otherwise owed by the remote seller or marketplace facilitator, within forty-five (45) calendar days after  
516 the date of delinquency. A remote seller or marketplace facilitator may not be granted more than one (1)  
517 waiver of penalty under this subsection in any one calendar year. The Commission shall report such  
518 waivers of penalty to the taxing jurisdiction, in writing.

519

520 **4.08.370 Repayment plans.**

521 A. The Commission may agree to enter into a repayment plan with a delinquent remote seller or  
522 marketplace facilitator. No repayment plan shall be valid unless agreed to by both parties in writing.

523

524 B. A remote seller or marketplace facilitator shall not be eligible to enter into a repayment plan with the  
525 Commission if the remote seller or marketplace facilitator has defaulted on a repayment plan in the  
526 previous two (2) calendar years.

527

528 C. The repayment plan shall include a secured promissory note that substantially complies with the  
529 following terms:

530

531 1. The remote seller or marketplace facilitator agrees to pay a minimum of ten percent (10%)  
532 down payment on the tax, interest, and penalty amount due. The down payment shall be applied  
533 first to penalty, then to accumulated interest, and then to the tax owed.

534

535 2. The remote seller or marketplace facilitator agrees to pay the balance of the tax, penalty and  
536 interest owed in monthly installments over a period not to exceed two (2) years.

537

538 3. Interest at a rate of fifteen percent (15%) per annum shall accrue on the principal sum due.  
539 Interest shall not apply to penalties owed or to interest accrued at the time the repayment plan is  
540 executed or accruing during the term of the repayment plan.

541

542 4. If the remote seller or marketplace facilitator is a corporation or a limited liability entity the  
543 remote seller or marketplace facilitator agrees to provide a personal guarantee of the obligations  
544 under the repayment plan.

545

546 5. The remote seller or marketplace facilitator agrees to pay all future tax bills in accordance with

547 the provisions of this Chapter.

548

549 6. The remote seller or marketplace facilitator agrees to provide a security interest in the form of a  
550 sales tax lien for the entire unpaid balance of the promissory note to be recorded by the  
551 Commission at the time the repayment plan is signed. The remote seller or marketplace facilitator  
552 shall be responsible for the cost of recording the tax lien.

553

554 D. If a remote seller or marketplace facilitator fails to pay two (2) or more payments as required by the  
555 repayment plan agreement, the remote seller or marketplace facilitator shall be in default and the entire  
556 amount owed at the time of default shall become immediately due. The Commission will send the remote  
557 seller or marketplace facilitator a notice of default. The Commission may immediately foreclose on the  
558 sales tax lien or take any other remedy available under the law.

559

560

561

562 **4.08.380 Remote seller or marketplace facilitator record retention.**

563 Remote sellers or marketplace facilitators shall keep and preserve suitable records of all sales made and  
564 such other books or accounts as may be necessary to determine the amount of tax that the remote seller or  
565 marketplace facilitator is obliged to collect. Remote sellers or marketplace facilitators shall preserve  
566 suitable records of sales for a period of six (6) years from the date of the return reporting such sales, and  
567 shall preserve for a period of six (6) years all invoices of goods and merchandise purchased for resale, and  
568 all such other books, invoices, and records as may be necessary to accurately determine the amount of  
569 taxes which the remote seller or marketplace facilitator was obliged to collect under this Chapter.

570

571 **4.08.390 Cessation or transfer of business.**

572 A. A remote seller or marketplace facilitator who sells, leases, conveys, forfeits, transfers, or assigns  
573 the majority of their business interest, including a creditor or secured party, shall make a final sales tax  
574 return within thirty (30) days after the date of such conveyance.

575

576 B. At least ten (10) business days before any such sale is completed, the remote seller or marketplace  
577 facilitator shall send to the Commission, by approved communication (email confirmation, certified first-  
578 class mail, postage prepaid) a notice that the remote seller's or marketplace facilitator's interest is to be  
579 conveyed and shall include the name, address, and telephone number of the person or entity to whom the  
580 interest is to be conveyed.

581

582 C. Upon notice of sale and disclosure of buyer, the Commission shall be authorized to disclose the  
583 status of the remote seller's or marketplace facilitator's sales tax account to the named buyer or assignee.

584

585 D. Upon receipt of notice of a sale or transfer, the Commission shall send the transferee a copy of the  
586 Alaska Remote Seller Sales Tax Code with this section highlighted.

587

588 E. Neither the Commission's failure to give the notice nor the transferee's failure to receive the notice  
589 shall relieve the transferee of any obligations under this section.

590

591 F. Following receipt of the notice, the Commission shall have sixty (60) days in which to perform a  
592 final sales tax audit and assess sales tax liability against the seller of the business. If the notice is not  
593 mailed at least ten (10) business days before the sale is completed, the Commission shall have twelve (12)  
594 months from the date of the completion of the sale or the Commission's knowledge of the completion of  
595 the sale within which to begin a final sales tax audit and assess sales tax liability against the seller of the  
596 business. The Commission may also initiate an estimated assessment if the requirements for such an  
597 assessment exist.

598

599 G. A person acquiring any interest of a remote seller or marketplace facilitator in a business required to  
600 collect the tax under this Chapter assumes the liability of the remote seller or marketplace facilitator for  
601 all taxes due the Commission, whether current or delinquent, whether known to the Commission or  
602 discovered later, and for all interest, penalties, costs, and charges on such taxes.

603

604 H. Before the effective date of the transfer, the transferee of a business shall obtain from the  
605 Commission an estimate of the delinquent sales tax, penalty, and interest, if any, owed by the remote  
606 seller or marketplace facilitator as of the date of the transfer, and shall withhold that amount from the  
607 consideration payable for the transfer, until the remote seller or marketplace facilitator has produced a  
608 receipt from the Commission showing that all tax obligations imposed by this Chapter have been paid. A  
609 transferee that fails to withhold the amount required under this subsection shall be liable to the  
610 Commission and taxing jurisdiction for the lesser of the amount of delinquent sales tax, penalty, and  
611 interest due from the remote seller or marketplace facilitator as of the date of transfer, and the amount that  
612 the transferee was required to withhold.

613

614 I. In this section, the term "transfer" includes the following:

615

616 1. A change in voting control, or in more than fifty percent (50%) of the ownership interest in a  
617 remote seller or marketplace facilitator that is a corporation, limited liability company, or  
618 partnership; or

619

620 2. A sale of all or substantially all the assets used in the business of the remote seller or  
621 marketplace facilitator; or

622

623 3. The initiation of a lease, management agreement, or other arrangement under which another  
624 person becomes entitled to the remote seller's or marketplace facilitator's gross receipts from sales,  
625 rentals, or services.



626

627 J. Subsection H of this section shall not apply to any person who acquires their ownership interest in  
628 the ongoing business as a result of the foreclosure of a lien that has priority over the Commission's sales  
629 tax lien.

630

631 K. Upon termination, dissolution, or abandonment of a corporate business, any officer having control  
632 or supervision of sales tax funds collected, or who is charged with responsibility for the filing of returns  
633 or the payment of sales tax funds collected, shall be personally liable for any unpaid taxes, interest,  
634 administrative costs, and penalties on those taxes if such officer willfully fails to pay or cause to be paid  
635 any taxes due from the corporation. In addition, regardless of willfulness, each director of the corporation  
636 shall be jointly and severally liable for unpaid amounts. The officer shall be liable only for taxes collected  
637 which became due during the period he or she had the control, supervision, responsibility, or duty to act  
638 for the corporation. This section does not relieve the corporation of other tax liabilities or otherwise  
639 impair other tax collection remedies afforded by law.

640

641 L. A remote seller or marketplace facilitator who terminates the business without the benefit of a  
642 purchaser, successor, or assign shall make a final tax return and settlement of tax obligations within thirty  
643 (30) days after such termination. If a final return and settlement are not received within thirty (30) days of  
644 the termination, the remote seller or marketplace facilitator shall pay a penalty of one hundred dollars  
645 (\$100), plus an additional penalty of twenty-five dollars (\$25) for each additional thirty-day period, or  
646 part of such a period, during which the final return and settlement have not been made, for a maximum of  
647 six (6) additional periods.

648

649 **4.08.400 Use of information on tax returns.**

650 A. Except as otherwise provided in this Chapter, all returns, reports, and information required to be filed  
651 with the Commission under this Chapter, and all information contained therein, shall be kept confidential  
652 and shall be subject to inspection only by:

653

654 1. Employees and agents of the Commission and taxing jurisdiction whose job responsibilities are  
655 directly related to such returns, reports, and information;

656

657 2. The person supplying such returns, reports, and information; and

658

659 3. Persons authorized in writing by the person supplying such returns, reports, and information.

660

661 B. The Commission will release information described in subsection (a) of this section pursuant to  
662 subpoena, order of a court or administrative agency of competent jurisdiction, and where otherwise  
663 required by law to do so.

664

665 C. Notwithstanding subsection A of this section, the following information is available for public  
666 inspection:

- 667
- 668 1. The name and address of sellers;
  - 669
  - 670 2. Whether a business is registered to collect taxes under this Chapter;
  - 671
  - 672 3. The name and address of businesses that are sixty (60) days or more delinquent in filing returns  
673 or in remitting sales tax, or both filing returns and remitting sales tax, and if so delinquent, the  
674 amount of estimated sales tax due and the number of returns not filed.

675

676 D. The Commission may provide the public statistical information related to sales tax collections,  
677 provided that no information identifiable to a particular remote seller or marketplace facilitator is  
678 disclosed.

679

680 E. Nothing contained in this section shall be construed to prohibit the delivery to a person, or their duly  
681 authorized representative, of a copy of any return or report filed by them, nor to prohibit the publication of  
682 statistics so classified as to prevent the identification of particular buyers, remote sellers, or marketplace  
683 facilitators, nor to prohibit the furnishing of information on a reciprocal basis to other agencies or political  
684 subdivisions of the state or the United States concerned with the enforcement of tax laws.

685

686 F. Nothing contained in this section shall be construed to prohibit the disclosure through enforcement  
687 action proceedings or by public inspection or publication of the name, estimated balance due, and current  
688 status of payments, and filings of any remote seller or marketplace facilitator or agent of any remote seller  
689 or marketplace facilitator required to collect sales taxes or file returns under this Chapter, who fails to file  
690 any return and/or remit in full all sales taxes due within thirty (30) days after the required date for that  
691 business. Entry into any agreement whether pursuant to the provisions of this Chapter or otherwise shall  
692 not act as any prohibition to disclosure of the records of that remote seller or marketplace facilitator as  
693 otherwise provided in this chapter.

694

695 G. A prospective lessee or purchaser of any business or business interest may inquire as to the  
696 obligation or tax status of any business upon presenting to the Commission a release of tax information  
697 request signed by the authorized agent of the business.

698

699 H. All returns referred to in this Chapter, and all data taken therefrom, shall be kept secure from public  
700 inspection, and from all private inspection.

701

702 **4.08.410 Violations.**

703 A. A remote seller or marketplace facilitator that fails to file a sales tax return or remit sales tax when  
704 due, in addition to any other liability imposed by this Chapter, shall pay to the Commission all costs  
705 incurred by the Commission to determine the amount of the remote seller's or marketplace facilitator's  
706 liability or to collect the sales tax, including, without limitation, reviewing and auditing the remote  
707 seller's or marketplace facilitator's business records, collection agency fees, and actual reasonable

708 attorney's fees.

709

710 B. A person who causes or permits a corporation of which the person is an officer or director, a limited  
711 liability company of which the person is a member or manager, or a partnership of which the person is a  
712 partner, to fail to collect sales tax or to remit sales tax to the Commission as required by this Chapter shall  
713 be liable to the Commission for the amount that should have been collected or remitted, plus any  
714 applicable interest and penalty.

715

716 C. Notwithstanding any other provision of law, and whether or not the Commission initiates an audit or  
717 other tax collection procedure, the Commission may bring a declaratory judgment action against a remote  
718 seller or marketplace facilitator believed to meet the criteria to establish that the obligation to remit sales  
719 tax is applicable and valid under local, state, and federal law. The action shall be brought in the judicial  
720 district of the taxing jurisdiction.

721

722 D. The Commission may cause a sales tax lien to be filed and recorded against all real and personal  
723 property of a remote seller or marketplace facilitator where the remote seller or marketplace facilitator  
724 has:

725

726 1. Failed to file sales tax returns for two (2) consecutive filing periods as required by the Chapter;  
727 or

728

729 2. Failed within sixty (60) days of the end of the filing period from which taxes were due to  
730 either (a) remit all amounts due or (b) to enter into a secured payment agreement as provided in  
731 this Chapter.

732

733 3. Prior to filing a sales tax lien, the Commission shall cause a written notice of intent to file to  
734 be mailed to the last known address of the delinquent remote seller or marketplace facilitator.

735

736 E. In addition to other remedies discussed in this Chapter, the Commission may bring a civil action to:

737

738 1. Enjoin a violation of this Chapter. On application for injunctive relief and a finding of a violation  
739 or threatened violation, the superior court shall enjoin the violation.

740

741 2. Collect delinquent sales tax, penalty, interest and costs of collection, either before or after  
742 estimating the amount of sales tax due.

743

744 3. Foreclose a recorded sales tax lien as provided by law.

745

746 F. All remedies hereunder are cumulative and are in addition to those existing at law or equity.

747

748 **4.08.420 Penalties for violations.**

749 A. A buyer, remote seller, or marketplace facilitator who knowingly or negligently submits false  
750 information in a document filed with the Commission pursuant to this Chapter is subject to a penalty of five  
751 hundred dollars (\$500).

752  
753 B. A remote seller or marketplace facilitator who knowingly or negligently falsifies or conceals  
754 information related to its business activities with the Commission or taxing jurisdiction is subject to a  
755 penalty of five hundred dollars (\$500).

756  
757 C. A person who knowingly or negligently provides false information when applying for a certificate  
758 of exemption is subject to a penalty of five hundred dollars (\$500).

759  
760 D. Any remote seller or marketplace facilitator who fails to file a return required under this Chapter by  
761 the due date, regardless of whether any taxes were due for the reporting period for which the return was  
762 required, shall be subject to a penalty of twenty-five dollars (\$25) for the first sales tax return not timely  
763 filed. The filing of an incomplete return shall be treated as the filing of no return.

764  
765 E. A remote seller or marketplace facilitator who fails or refuses to produce requested records or to  
766 allow inspection of their books and records shall pay to the Commission a penalty equal to three (3) times  
767 any deficiency found or estimated by the Commission with a minimum penalty of five hundred dollars  
768 (\$500).

769  
770 F. A remote seller or marketplace facilitator who falsifies or misrepresents any record filed with the  
771 Commission is guilty of an infraction and subject to a penalty of five hundred dollars (\$500) per record.

772  
773 G. Misuse of an exemption card is a violation and subject to a penalty of fifty dollars (\$50) per incident  
774 of misuse.

775  
776 H. Nothing in this Chapter shall be construed as preventing the Commission from filing and  
777 maintaining an action at law to recover any taxes, penalties, interest and/or fees due from a remote seller  
778 or marketplace facilitator. The Commission may also recover attorney's fees in any action against a  
779 delinquent remote seller or marketplace facilitator.

780

781 **4.08.430 Remote sellers with a physical presence in the taxing jurisdiction.**

782 A. Sellers with a physical presence in a Taxing Jurisdiction and no remote or internet-based sales shall  
783 report, remit, and comply with standards, including audit authority, of the Taxing Jurisdiction.

784  
785 B. Sellers with a physical presence in a Taxing Jurisdiction that also have remote or internet-based  
786 sales where the Point of Delivery is in a different Taxing Jurisdictions shall (i) report and remit the remote  
787 or internet sales to the Commission; and ii) report and remit the in-store sales to the Taxing Jurisdiction.

788  
789 C. Sellers with a physical presence in a Taxing Jurisdiction that also have remote or internet-based

790 sales where the Point of Delivery is in the same Taxing Jurisdictions shall report and remit those remote  
791 sales to the Taxing Jurisdiction.

792

793 D. Remote sellers and marketplace facilitators that do not have a physical presence in a Taxing  
794 Jurisdiction must report and remit all remote sales to the Commission.

795

796 E. For all purchases the tax rate added to the sale price shall be as provided in the Taxing Jurisdiction's  
797 sales tax code, based on the point of delivery.

798

799 F. A marketplace facilitator is considered the remote seller for each sale facilitated through its  
800 marketplace and shall collect, report, and remit sales tax to the Commission. A marketplace facilitator is  
801 not considered to be the remote seller for each sale or rental of lodging facilitated through its marketplace,  
802 wherein the seller is considered to have a physical presence in the Taxing Jurisdiction.

803

804 **4.08.440 Remittance of tax - remote seller held harmless.**

805 A. Any remote seller or marketplace facilitator that collects and remits sales tax to the Commission as  
806 provided by law may use an electronic database of state addresses that is certified by the Commission  
807 pursuant to subsection C of this section to determine the jurisdictions to which tax is owed.

808

809 B. Any remote seller or marketplace facilitator that uses the data contained in an electronic database  
810 certified by the Commission pursuant to subsection C of this section to determine the jurisdictions to  
811 which tax is owed shall be held harmless for any tax, charge, or fee liability to any taxing jurisdiction that  
812 otherwise would be due solely as a result of an error or omission in the database.

813

814 C. Any electronic database provider may apply to the Commission to be certified for use by remote  
815 sellers or marketplace facilitators pursuant to this section. Such certification shall be valid for three years.  
816 In order to be certified, an electronic database provider shall have a database that satisfies the following  
817 criteria:

818

819 1. The database shall designate each address in the state, including, to the extent practicable, any  
820 multiple postal address applicable to one location and the taxing jurisdictions that have the authority  
821 to impose a tax on purchases made by purchasers at each address in the state.

822

823 2. The information contained in the electronic database shall be updated as necessary and  
824 maintained in an accurate condition. In order to keep the database accurate, the database provider  
825 shall provide a convenient method for taxing jurisdictions that may be affected by the use of the  
826 database to inform the provider of apparent errors in the database. The provider shall have a process  
827 in place to promptly correct any errors brought to the provider's attention.

828

829 **4.08.450 Definitions.**

830 Adoption of definitions does not compel an individual municipality to exempt certain defined items. Each  
831 municipality should specifically adopt definitions necessary for consistency to implement both brick-and-  
832 mortar sales tax code and provisions related to remote sellers or marketplace facilitators. For definitions  
833 that have no applicability to brick-and-mortar sales tax code, municipality may choose to either include  
834 definitions in the definitional section of general sales tax ordinance or adopt the common definitions by  
835 reference.

836

837 A. “Buyer or purchaser” means a person to whom a sale of property or product is made or to whom a  
838 service is furnished.

839

840 B. “Commission” means the Alaska Intergovernmental Remote Sales Tax Commission established by  
841 Agreement between local government taxing jurisdictions within Alaska, and the delegated tax collection  
842 authority.

843

844 C. “Delivered electronically” means delivered to the purchaser by means other than tangible storage  
845 media.

846

847 D. “Entity-based exemption” means an exemption based on who purchases the product or who sells the  
848 product. An exemption that is available to all individuals shall not be considered an entity-based  
849 exemption.

850

851 E. “Goods for resale” means:

852

853 1. The sale of goods by a manufacturer, wholesaler, or distributor to a retail vendor, and sales to a  
854 wholesale or retail dealer who deals in the property sold for the purpose of resale by the dealer.

855

856 2. The sale of personal property as raw material to a person engaged in manufacturing  
857 components for sale, where the property sold is consumed in the manufacturing process of, or  
858 becomes an ingredient or component part of, a product manufactured for sale by the manufacturer.  
859

860 3. The sale of personal property as construction material to a licensed building contractor where the  
861 property sold becomes part of the permanent structure.

862

863 F. “Marketplace facilitator” means a person that contracts with remote sellers to facilitate for  
864 consideration, regardless of whether deducted as fees from the transaction, the sale of the remote seller’s  
865 property or services through a physical or electronic marketplace operated by the person, and engages:

866

867 1. Directly or indirectly, through one or more affiliated persons, in any of the following:

868

869 a. Transmitting or otherwise communicating the offer or acceptance between the buyer and  
870 remote seller;

871

872 b. Owning or operating the infrastructure, electronic or physical, or technology that brings  
873 buyers and remote sellers together;

874

875 c. Providing a virtual currency that buyers are allowed or required to use to purchase products  
876 from the remote seller; or

877

878 d. Software development or research and development activities related to any of the activities  
879 described in 2 of this subsection c, if such activities are directly related to a physical or  
880 electronic marketplace operated by the person or an affiliated person; and

881

882 2. In any of the following activities with respect to the seller’s products:

883

884 a. Payment processing services;

885

886 b. Fulfillment or storage services;

887

888 c. Listing products for sale;

889

890 d. Setting prices;

891

892 e. Branding sales as those of the marketplace facilitator;

893

894 f. Order taking;

895

896 g. Advertising or promotion; or

897

898 h. Providing customer service or accepting or assisting with returns or exchanges.

899

900 G. “Member” means a taxing jurisdiction that is a signatory of the Alaska Remote Sales Tax  
901 Intergovernmental Agreement, thereby members of the Commission, and who have adopted the  
902 Alaska Remote Seller Sales Tax Code.

903

904 H. “Monthly” means occurring once per calendar month.

905

906 I. “Nonprofit organization” means a business that has been granted tax-exempt status by the Internal  
907 Revenue Service (IRS). An association, corporation, or other organization where no part of the net  
908 earnings of the organization inures to the benefit of any member, shareholder, or other individual, as  
909 certified by registration with the IRS.

910

911 J. “Person” means an individual, trust, estate, fiduciary, partnership, limited liability company, limited  
912 liability partnership, corporation, or any other legal entity.

913

914 K. “Physical presence” means a seller who establishes any one or more of the following within a local  
915 taxing jurisdiction:

916

917 1. Has any office, distribution or sales house, warehouse, storefront, or any other place of business  
918 within the boundaries of the local taxing jurisdiction;

919

920 2. Solicits business or receiving orders through any employee, agent, salesman, or other  
921 representative within the boundaries of the local taxing jurisdiction or engages in activities in this  
922 state that are significantly associated with the seller’s ability to establish or maintain a market for  
923 its products in this state;

924

925 3. Provides services or holds inventory within the boundaries of the local taxing jurisdiction;

926

927 4. Rents or Leases property located within the boundaries of the local taxing jurisdiction.



928

929 A seller that establishes a physical presence within the local taxing jurisdiction in any calendar year will  
930 be deemed to have a physical presence within the local taxing jurisdiction for the following calendar year.

931

932 L. “Point of delivery” means the location at which property or a product is delivered or service  
933 rendered.

934

935 1. When the product is not received or paid for by the purchaser at a business location of a remote  
936 seller in a Taxing Jurisdiction, the sale is considered delivered to the location where receipt by the  
937 purchaser (or the purchaser's recipient, designated as such by the purchaser) occurs, including the  
938 location indicated by instructions for delivery as supplied by the purchaser (or recipient) and as known  
939 to the seller;

940

941 2. When the product is received or paid for by a purchaser who is physically present at a business  
942 location of a Remote Seller in a Taxing Jurisdiction the sale is considered to have been made in the  
943 Taxing Jurisdiction where the purchaser is present even if delivery of the product takes place in  
944 another Taxing Jurisdiction. Such sales are reported and tax remitted directly to the Taxing  
945 Jurisdiction and not to the Commission;

946

947 3. For products transferred electronically, or other sales where the remote seller or marketplace  
948 facilitator lacks a delivery address for the purchaser, the remote seller or marketplace facilitator shall  
949 consider the point of delivery the sale to the billing address of the buyer.

950

951 M. “Product-based exemptions” means an exemption based on the description of the product and not  
952 based on who purchases the product or how the purchaser intends to use the product.

953

954 N. “Property” and “product” means both tangible property, an item that can be seen, weighed,  
955 measured, felt, or touched, or that is in any other manner perceptible to the senses; and intangible  
956 property, anything that is not physical in nature (i.e.; intellectual property, brand recognition, goodwill,  
957 trade, copyright and patents).

958

959 O. “Quarter” means trimonthly periods of a calendar year; January-March, April-June, July-September,  
960 and October-December.

961

962 P. “Receive” or “receipt” means

963

964

1. Taking possession of property;

965

966

2. Making first use of services;

967

968

3. Taking possession or making first use of digital goods, whichever comes first.

969

970

The terms “receive” and “receipt” do not include temporary possession by a shipping company on behalf of the purchaser.

971

972

973

Q. “Remote sales” means sales of goods or services by a remote seller or marketplace facilitator.

974

975

R. “Remote seller” means a seller or marketplace facilitator making sales of goods or services delivered within the State of Alaska, without having a physical presence in a taxing jurisdiction, or conducting business between taxing jurisdictions, when sales are made by internet, mail order, phone or other remote means. A marketplace facilitator shall be considered the remote seller for each sale facilitated through its marketplace.

976

977

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981

S. “Resale of services” means sales of intermediate services to a business the charge for which will be passed directly by that business to a specific buyer.

982

983

984

T. “Sale” or “retail sale” means any transfer of property for consideration for any purpose other than for resale.

985

986

987

U. “Sales or purchase price” means the total amount of consideration, including cash, credit, property, products, and services, for which property, products, or services are sold, leased, or rented, valued in money, whether received in money or otherwise, without any deduction for the following:

988

989

990

991

1. The seller’s cost of the property or product sold;

992

993

2. The cost of materials used, labor or service cost, interest, losses, all costs of transportation to the seller, all taxes imposed on the seller, and any other expense of the seller;

994

995

996

3. Charges by the seller for any services necessary to complete the sale, other than delivery and installation charges;

997

998  
999 4. Delivery charges;

1000  
1001 5. Installation charges; and

1002  
1003 6. Credit for any trade-in, as determined by state law.

1004  
1005 V. “Seller” means a person making sales of property, products, or services, or a marketplace facilitator  
1006 facilitating sales on behalf of a seller.

1007  
1008 W. “Services” means all services of every manner and description, which are performed or furnished for  
1009 compensation, and delivered electronically or otherwise outside the taxing jurisdiction (but excluding any  
1010 that are rendered physically within the taxing jurisdiction, including but not limited to:

1011  
1012 1. Professional services;

1013  
1014 2. Services in which a sale of property or product may be involved, including property or products  
1015 made to order;

1016  
1017 3. Utilities and utility services not constituting a sale of property or products, including but not  
1018 limited to sewer, water, solid waste collection or disposal, electrical, telephone services and repair,  
1019 natural gas, cable or satellite television, and Internet services;

1020  
1021 4. The sale of transportation services;

1022  
1023 5. Services rendered for compensation by any person who furnishes any such services in the course  
1024 of his trade, business, or occupation, including all services rendered for commission;

1025  
1026 6. Advertising, maintenance, recreation, amusement, and craftsman services.

1027  
1028 X. “Tax cap” means a maximum taxable transaction.

1029  
1030 Y. “Taxing jurisdiction” means a local government in Alaska that has a sales tax and is a member of  
1031 the Alaska Remote Sellers Sales Tax Commission.

1033 Z. “Transferred electronically” means obtained by the purchaser by means other than tangible storage  
1034 media.

1035

1036 **4.08.470 Supplemental definitions.**

1037 The Commission shall promulgate Supplemental Definitions that are incorporated into this Remote Seller  
1038 Sales Tax Code. Supplemental Definitions are available at [www.arsstc.org/code](http://www.arsstc.org/code). Provisions of the  
1039 Supplemental Definitions that are amended, deleted, or added prior to or after the effective date of the  
1040 latest amendment to this Chapter shall be applicable for purposes of this Chapter on the effective date  
1041 provided for such amendments, deletions, or additions, including retroactive provisions.

1042

1043 \* \* \*

1044

1045 **Section 2. EFFECTIVE DATE.** This ordinance shall become effective the day after the date of its passage.

1046 **ADOPTED** by a duly constituted quorum of the North Pole City Council this 1<sup>st</sup> day of March, 2021.

1047

1048

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\_\_\_\_\_  
Michael W. Welch, Mayor

1051 ATTEST:

1052

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1055 \_\_\_\_\_  
Aaron Rhoades, North Pole City Clerk

1056

1057

PASSED/FAILED

1058

Yes:

1059

No:

1060

ORDINANCE 21 – 04

AN ORDINANCE OF THE CITY OF NORTH POLE, ALASKA TO AMEND TITLE  
13, PUBLIC SERVICES, TO REESTABLISH 13.24.040 UTILITY CUSTOMER  
EMERGENCY PAYMENT FUND.

WHEREAS, changes to the public services practices and policies is a continually changing requirement; and

WHEREAS, the City of North Pole Municipal Code should be amended to conform to the requirements of the City.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of North Pole:

Section 1. This ordinance is of a general and permanent nature and shall be codified.

Section 2. Title 13 is amended in the North Pole Code of Ordinances as follows (new text in underline, deleted text in ~~strike-through~~):

**13.24.040 ~~Emergency~~ Utility Customer Emergency Payment Fund.**

A. Purpose of the Utility Customer Emergency Payment Fund. The City of North Pole recognizes that residential utility customers can encounter emergency situations that make paying their monthly utility bills a hardship. To help prevent residential utility customers' utility accounts becoming delinquent, the City has created the Utility Customer Emergency Payment Fund. A residential utility customer facing an emergency that is causing them a financial hardship may apply for temporary assistance to pay all or a portion of their North Pole Utility bill.

B. Funding of Utility Customer Emergency Payment Fund.

1. Round-Up utility rate

a. Automatic enrollment. All utility customers will automatically be enrolled in the Round-Up utility rate. The Round-Up utility rate shall be calculated by rounding up the total monthly utility charge on a utility bill to the nearest whole dollar amount; for example, a utility bill calculated at \$47.23 would be rounded up to \$48.00.

b. Opt-out participation. Utility customers not wishing to participate in the Round-Up rate must opt out of the rate by providing a written request to be removed from the rate. A utility customer who opts out of the Round Up rate will not be eligible for the benefits of the Utility Customer Emergency Payment Fund commencing from the date they withdraw. Utility account holders who previously opted out of the Round Up rate may request to re-enroll in the rate. A utility customer who withdrew from the rate will not be eligible for the benefits of the rate for a period of 60 days from the time they re-enrolled. In addition, an individual re-enrolling in the Round-Up rate shall not be eligible for any benefits of the rate for an event that occurred from the

40 time they withdrew from the Round-Up rate through the end of the 60-day waiting  
41 period after they re-enrolled in the Round-Up rate.

42 2. The revenue generated by the Round-Up rate shall be used to support the Utility  
43 Customer Emergency Payment Fund.

44 3. Funds generated by the Round-Up rate shall be deposited in a dedicated fund.

45  
46 4. North Pole Utility customers may contribute to the Utility Customer Emergency  
47 Payment Fund. When terminating their utility accounts, customers will be provided  
48 the option to transfer all or part of their deposits to the Fund. Contributions to the  
49 Utility Customer Emergency Payment Fund are not tax deductible.

50

51 C. Management of Utility Customer Emergency Payment Fund. All funds contributed to  
52 the Fund shall be deposited in a dedicated fund separate from the operating funds of the  
53 City. Funds of the Utility Customer Emergency Payment Fund can only be used to  
54 offset North Pole water and sewer utility bills of residential utility customers  
55 requesting assistance. Funds of the Utility Customer Emergency Payment Fund cannot  
56 be used to pay utility assessments; liquidated damages payments; commercial or  
57 multifamily utility bills; utility tie-in fees; legal fees associated with a delinquent utility  
58 account or accounts delinquent for nonemergency reasons. The purpose of the  
59 emergency fund is to provide temporary assistance to utility customers facing short-  
60 term hardships and not to provide ongoing utility bill subsidies for residential utility  
61 customers.

62

63 D. Awarding Utility Customer Emergency Payment Fund

64 1. The City Council shall have the sole authority to disburse the funds of the Utility  
65 Customer Emergency Payment Fund to utility customers applying for assistance to  
66 pay their North Pole Utility bills.

67 a. Guidelines for Awarding Emergency Funds.

68 i. Documented significant decline in household income that results in a  
69 demonstrated financial hardship.

70 ii. Unexpected major household expenses like medical bills, emergency home  
71 repair, water line breaks causing an excessive water bill, emergency  
72 automobile repair, etc. that results in a demonstrated financial hardship.

73 iii. Changes in family status like divorce, separation, or deployment of a military  
74 spouse that results in a demonstrated financial hardship.

75 iv. Other criteria as approved by the City Council.

76 2. Awarding Emergency Funds. The City Council can award assistance no greater than  
77 funds available in the Utility Customer Emergency Payment Fund and cannot  
78 recommend awards that create a financial liability for the City. Awards are not cash  
79 payments but direct transfers from the Utility Customer Emergency Payment Fund

80 to the North Pole Utility to offset the applicant's utility bill.  
81 3. Application for Utility Customer Emergency Payment Fund awards. A residential  
82 North Pole Utility customer seeking an award from the Utility Customer Emergency  
83 Payment Fund to help pay all or part of their North Pole Utility bill shall provide a  
84 written and notarized explanation of the reason they need an award and the  
85 supporting income information as needed to demonstrate financial need. The  
86 explanation shall include the dollar amount of their utility bill and the dollar amount  
87 of their award request. Applicants shall submit their request for an award no later  
88 than seven (7) calendar days before the next regularly scheduled City Council  
89 Meeting. The customer making the request shall submit their written request for  
90 assistance from the Utility Emergency Assistance Fund through the City Clerk to the  
91 City Council. The contents of the request shall be confidential.  
92

93 **Section 3. EFFECTIVE DATE.** This ordinance shall become effective the second Utility  
94 billing period after passage of the ordinance.

95  
96 **INTRODUCED AND ADVANCED** by a duly constituted quorum of the North Pole City  
97 Council this 1<sup>st</sup> day of March, 2021.

98  
99

100

101

\_\_\_\_\_  
Michael W. Welch, Mayor

102 ATTEST:

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106 \_\_\_\_\_  
Aaron Rhoades, North Pole City Clerk

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109

110

111

112

PASSED/FAILED

Yes:

No:

Absent:

**CITY OF NORTH POLE  
RESOLUTION 21 – 3**

**A RESOLUTION ADOPTING THE CITY OF NORTH POLE’S HAZARD  
MITIGATION PLAN**

**WHEREAS:** the City of North Pole is vulnerable to damages from natural hazard events which pose a threat to public health and safety and could result in property loss and economic hardship;

**WHEREAS:** a Hazard Mitigation Plan (the Plan) was developed through the work of the Fairbanks North Star Borough Hazard Mitigation Plan (HMP) Planning Team, and interested parties within the Fairbanks North Star Borough area;

**WHEREAS:** the Plan recommends hazard mitigation actions that will protect people and property affected by natural hazards that face the City residents, that will reduce future public, private, community, and personal costs of disaster response and recovery; and that will reinforce the City's leadership in emergency preparedness efforts;

**WHEREAS:** the Disaster Mitigation Act of 2000 (P.L. 106-390) (DMA 2000) and associated Federal regulations published under 44 CFR Part 201 require the City to formally adopt a Hazard Mitigation Plan subject to the approval of the Federal Emergency Management Agency to be eligible for federal hazard mitigation projects and activities funds;

**WHEREAS:** the City held public meetings or provided opportunities to receive comment on the Plan as required by DMA 2000;

**NOW THEREFORE BE IT RESOLVED,** by the City of North Pole City Council that:

1. The Plan is hereby adopted as the official plan of the City of North Pole.
2. The Planning Team identified in the Planning Process and the Mitigation Action Plan are hereby directed to implement the recommended actions assigned to them. These officials will report annually on their activities, accomplishments, and progress to the City Council.
3. The North Star Borough Hazard Mitigation Planning Team will provide annual progress reports on the status of the implemented Mitigation Action Plan’s projects to the City Council. The Planning Team will submit this report to the City of North Pole City Council annually by the Plan's adoption anniversary date.
4. The North Star Borough Hazard's Planning Team, will complete periodic updates of the Plan as indicated in the Plan Maintenance Section (Section 3), but no less frequently than every five years or when determined by the State of Alaska or the Federal Emergency Management Agency (FEMA).

**NOW THEREFORE BE IT RESOLVED** by the City of North Pole City Council that the City adopts the updated 2021 Hazard Mitigation Plan as this jurisdiction’s plan, and resolves to execute the actions in the plan.



48 **INTRODUCED AND ADOPTED** by a duly constituted quorum of the City of North Pole City  
49 Council this 1st day of March, 2021.

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Michael W. Welch, Mayor

ATTEST:

---

Aaron Rhoades, North Pole City Clerk

PASSED/FAILED

Yes:

No:

Absent:

# Memo



**To:** Michael Welch, Mayor

**From:** Chad Heineken, Fire Chief

**Cc:**

**Date:** 2/11/2021

**Re:** Cooperative Purchasing

---

Mayor Welch,

I am providing you with a binder containing all the necessary documentation to verify that Sourcewell cooperative purchasing contract pertaining to the purchase of a new fire department pumper/tanker meets and exceeds the requirements of the North Pole Municipal Code Chapter 4.16 Purchasing.

Specifically, North Pole Municipal Code 4.16.040 (E)(1) states,

1. The Mayor or his designee certifies in writing to the City Council that the request for bids or request for proposal process of the entity issuing the request satisfies the minimum requirements detailed in subsection (A) of this section for bids or subsection (B) of this section for proposals

After studying the enclosed documents within this binder provided it can be verified that the Sourcewell sealed bidding processes, procedures and resulting contracts are within all requirements found in North Pole Municipal Code.

I am now asking you or your designee to provide in writing a letter to City Council with the appropriate verifications needed to meet the requirements of the above mentioned Code 4.16.040 (E)(1).



# CITY OF NORTH POLE

*Alaska*

*"Where the Spirit of Christmas Lives Year Round"*

125 Snowman Lane • North Pole, Alaska 99705-7708  
E-mail: [mayor@northpolealaska.com](mailto:mayor@northpolealaska.com) • Website: [www.northpolealaska.com](http://www.northpolealaska.com)

City Hall  
907-488-2281  
Fax: 907-488-3002

Mayor  
907-488-8584

City Clerk  
907-488-8583

Police  
Department  
907-488-6902

Fire  
Department  
907-488-2232

Utilities  
907-488-6111

Director of  
City Services  
907-488-8593

Finance  
907-488-8594

## Memo

To: City Council

From: Mayor Welch

Date: February 25, 2021

Re: Using Sourcewell to Source Fire Department Apparatus

Dear City Council,

I certify that the request for bids through Sourcewell to secure a North Pole Fire Department Apparatus satisfies and exceeds Section 4.16.050 Cooperative Purchasing subsection A & B requirements. The North Pole Fire Department should proceed forward.

Michael W. Welch  
City of North Pole  
Mayor

# Memo

**To:** Mayor Welch, City Council Members  
**From:** Terri Nelson, Accounts Payable  
**cc:** Trisha Fogarty , CFO  
**Date:** 02/23/2021  
**Re:** Sales Tax Filing

---

We have received 2 requests to move the tax returns from monthly to annually. Accounts Google North America Inc. # 2775, Matrix Telecom, LLC. # 2406. Both Accounts are in good standing and have not had any late or delinquent taxes in the last three years. They have tax liability less the \$500. A year. They have requested to change the filing frequency to Annually instead of monthly. I recommend this request be approved for both Accounts.

Respectfully Submitted,

Terri Nelson  
Accounts Payable

## Tricia Fogarty

---

**From:** Jessica Howard <jessica@csilongwood.com>  
**Sent:** Saturday, February 13, 2021 3:14 PM  
**To:** Tricia Fogarty  
**Cc:** Jessica Howard  
**Subject:** Filing Frequency Change Request - Multiple Clients - North Pole, AK

Good evening,

We have several "Remote Seller" clients that we file the Sales Tax for in North Pole, AK. I have noticed that many of these have a tax liability less than \$500.00 for the year. I would like to request that we change the filing frequency to Annual, if possible please. I have listed the clients below that I believe are eligible.

Please let me know if this is possible – and if this email is sufficient to do so or if you need something else from us for this.

AccessLine Communications Corporation (FEIN: 91-1353821) - \$.02 Tax in 2020

ACN Communication Services, LLC (FEIN: 38-3483729) - \$0.00 Tax in 2020

Flash Wireless, LLC – (FEIN: 45-2090193) - \$0.00 Tax in 2020

Google North America Inc, dba Google Fi – 2775 - \$164.23 Tax in 2020

Matrix Telecom, LLC – 2406 - \$0.00 Tax in 2020

Puretalk Holdings, Inc (FEIN: 82-4217713) – \$69.30 Tax in 2020

Thank You,



*The worldwide leader of  
tax and compliance services.*

### Jessica Howard

**Director of Transaction Tax – NonState Specialist**

Compliance Solutions, Inc.

242 Rangeline Road

Longwood, FL 32750

Main 407-260-1011

Direct 407-794-3502

Fax 407-260-1033

[www.csilongwood.com](http://www.csilongwood.com)

[jessica@csilongwood.com](mailto:jessica@csilongwood.com)

**4.08.090 Submittal of forms and remittance.**

The City shall provide sales tax return forms for sellers. Sellers making a taxable sale in any month shall transmit the tax collected no later than the last day of the following month in which tax was collected along with a completed return. Returns and taxes remitted must be received by the City administrative offices no later than 5:00 p.m. on the due date.

A. The sales tax forms furnished by the City shall have spaces setting forth the amount received from the following:

1. All sales, services, or rentals made within City limits;
2. The amount received from nontaxable sales, services, and rentals;
3. The amount of credit card service fees paid on credit card sales within the City;
4. The amount of taxable sales, services, and rentals;
5. The amount of sales tax owed;
6. The amount of penalties owed;
7. The total amount of sales tax and penalties owed to the City;
8. Such other information and supporting documentation as may be required.

B. Quarterly Filing.

1. A seller who, for one year, has transmitted taxes and filed returns as required by this chapter may file with the Sales Tax Administrator a written request to transmit taxes and file returns quarterly.
2. The Sales Tax Administrator shall evaluate the seller's compliance with this chapter, and make a recommendation to the City Council to approve or deny the seller's petition.
3. If the City Council approves the petition, the seller shall file returns and transmit the taxes imposed by this chapter no later than the last day of the month following the quarter the taxes were collected.
4. Upon approval of the Council, quarterly filing will revert to monthly filing if reports are not transmitted on time.

C. Annual Filing.

1. A seller who, for one year, has transmitted taxes and filed returns as required by this chapter may file with the Sales Tax Administrator a written request to transmit taxes and file returns annually so long as the annual amount of tax collected is estimated to be less than \$500 (five hundred dollars).

2. The Sales Tax Administrator shall evaluate the seller's compliance with this chapter, and make a recommendation to the City Council to approve or deny the seller's petition.

3. If the City Council approves the petition, the seller shall file returns and transmit the taxes imposed by this chapter no later than the last day of the month following the year the taxes were collected.

4. Upon approval of the Council, annual filing will revert to monthly filing if reports are not transmitted on time. (Ord. 17-02 § 2, 2017; Ord. 16-26 § 2, 2016; Ord. 14-26 § 2, 2014; Ord. 03-01 § 2, 2003; Ord. 99-29 § 2, 1999)