

The City Finance Department is responsible for educating and confirming compliance with Wasilla Municipal Code (WMC) 5.16 Sales Tax

Education:

The City provides the following resources available to assist sellers in understanding their responsibilities under WMC [5.16](#) Sales Tax:

- Copies of Sales Tax and Business Licensing Code
- City Boundary Maps
- Frequently Asked Questions Pamphlet
- Business License Information Pamphlets specific to industries
- Sales Tax Seminars
- Website:
www.cityofwasilla.com

City of Wasilla Finance Department

290 E Herning Avenue
Wasilla, AK 99654
Phone: 907-373-9088
Fax: 907-373-9085
salestax@ci.wasilla.ak.us

www.cityofwasilla.com

Helpful Tips Regarding City of Wasilla Sales Tax Collection

Business Information Pamphlet

City of Wasilla

Finance Department

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Collecting Sales Tax:

The seller collects sales tax on behalf of the City for sales and services transacted in the City as defined by WMC [5.16.040](#). Sales tax collected from buyers is City monies and should be held separate from other monies of the Seller.

Determination for Charging Tax - The seller is responsible for all sales tax collected and those taxes that *should have been collected*. It is the responsibility of the seller to determine if a sale is exempt from sales tax. If there is doubt, collect the sales tax and contact the City for a determination. Sales tax can be refunded to a purchaser if it is found to be collected in error under WMC [5.16.090](#). WMC allows for exemptions on certain transactions. For more information and a complete list of exemptions see WMC [5.16.050](#) Exemptions.

Filing & Payments – All sellers shall file sales tax returns **monthly** unless another filing period has been requested *and approved* by the Finance Director. Sales tax returns must be filed even if there are zero sales to report. Sales tax returns must be received by the last day of the month following the reporting period. Postmarks are not considered timely. Returns received after the due date are subject to a late filing fee, penalty, interest, and loss of credit for prompt payment. Returns and/or payments made in person, by mail or drop box must be received by the last business day prior to due date when the due date falls on a weekend or holiday. A payment schedule can be found on our website: www.cityofwasilla.com. Returns may be filed in your online MUNIRev's account and paid with

an e-check or credit card. (3% convenience fee for credit cards will be added) Returns filed online may also be paid in person with cash or check or mailed or dropped in our drop box by the due date. Paper filings may also be made; however, paper returns are not mailed and must be obtained from the City website www.cityofwasilla.com.

The City will estimate the amount of tax due and a fine of \$50.00 will be assessed if the seller fails to file a sales tax return.

Documenting Sales and Services: The City performs random audits to check the correctness of the seller's sales tax returns, determine the accuracy of the accounting records and to answer the seller's questions. Therefore, keeping accurate and complete records is extremely important. Business records should include:

Taxable Sales –

- 1) Gross or total sales;
- 2) Location of sale or retail store, or the place services were rendered and/or received;
- 3) Date of sale;
- 4) Description of product or service sold; and
- 5) Sales tax rate (and notice if tax is included in price)

Documenting Non-taxable/Exempt Sales –

In addition to the information required above, exempt transactions should document the reason for the exemption including:

- 1) The name of the buyer;
- 2) Valid Sales Tax Exemption Certificate number issued to the buyer by the City of Wasilla;

- 3) The delivery address for transactions delivered outside City limits;
- 4) Sales made to governmental agencies should be documented by a copy of the government credit card receipt, government check, or purchase order; and
- 5) On transactions over \$500, that the receipt is for a single transaction and meets all requirements of WMC [5.16.035](#) Maximum Tax.

Enforcement: WMC does provide for penalties, interest, fees and other civil remedies allowed by law for businesses found to be noncompliant.

Common Noncompliance Issues –

- 1) Misuse of resale or exempt certificates
- 2) Failure to file complete returns or remit sales tax
- 3) Failure to keep adequate records.
- 4) Failure to obtain a business license
- 5) Failure to close the account when the business is no longer operating in the City

Assistance: The City Finance Department staff is available to assist sellers with compliance of WMC and to help sellers correct errors they may find from misinterpretation of the City sales tax code. Sellers seeking assistance helps to prevent the need of enforcement action and is highly encouraged.

Questions can be directed to the Sales Tax Administrator at 907-373-9088 or emailed to salestax@ci.wasilla.ak.us Additional information can be found on our website: www.cityofwasilla.com