

CITY OF DILLINGHAM, ALASKA

**ORDINANCE NO. 2020-03**

**AN ORDINANCE OF THE COUNCIL OF THE CITY OF DILLINGHAM AMENDING TITLE 4 OF THE DILLINGHAM MUNICIPAL CODE TO ADOPT BY REFERENCE THE ALASKA REMOTE SELLERS SALES TAX CODE AND TO AMEND CHAPTER 4.20 TO ADD AND AMEND DEFINITIONS, REPEAL SECTION 4.20.150, ADOPT A LATE FILING FEE, AND AMEND PENALTY AND INTEREST PROVISIONS**

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WHEREAS, Section 4.20.050(H)(1) of the Dillingham City Code currently exempts from sales tax sales which the City is prohibited from taxing by the Constitution of the United States; and

WHEREAS, historically the Constitution of the United States prohibited the City from levying sales tax on mail order or internet purchases from businesses located outside the State of Alaska who did not have a physical presence within city boundaries; and

WHEREAS, the United States Supreme Court decided on June 21, 2018 in the case *South Dakota v. Wayfair* that the United States Constitution no longer prohibited the City from levying sales tax on mail order or internet purchases from businesses located outside the State of Alaska; and

WHEREAS, in response to the *Wayfair* decision, several Alaskan municipalities formed the Alaska Remote Sellers Sales Tax Commission ("the Commission"); and

WHEREAS, on January 6, 2020, the Commission adopted the Alaska Remote Sellers Sales Tax Code and Supplemental Definitions ("Uniform Code"); and

WHEREAS, on January 16, 2020, the Dillingham City Council adopted Resolution 2019-35 authorizing the City of Dillingham to become a member of the Commission and authorizing the City Manager to sign the Alaska Intergovernmental Remote Seller Sales Tax Agreement ("the Agreement") and to obtain and maintain membership in the Commission; and

WHEREAS, the Agreement requires Commission members to adopt the Uniform Code by reference or otherwise in its entirety by May 5, 2020; and

WHEREAS, some provisions of the Uniform Code differ from existing requirements of Chapter 4.20 of the Dillingham Municipal Code; and

WHEREAS, it is preferable to harmonize definitions and administrative provisions of Chapter 4.20 with the Uniform Code;

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Dillingham, Alaska, as follows:

**Section 1.** Sections 3 through 8 of this ordinance are of a permanent and general nature and shall be included in the Dillingham City Code.

**Section 2.** Legislative Findings.

(1) The inability to effectively collect city sales tax from remote sellers who deliver tangible personal property, any products transferred electronically, or services directly to the citizens of Dillingham is seriously eroding the sales tax base of Dillingham, causing revenue losses and imminent harm to this city through the loss of critical funding for services;

(2) The harms from the revenue losses are especially serious in Dillingham because sales tax revenues are essential in funding local services;

(3) The structural advantages of remote sellers, including the absence of point-of-sale tax collection, along with the general growth of online retail, make clear that further erosion of this city's sales tax base is likely soon;

(5) Remote sellers who make a substantial number of deliveries into or have large gross revenues from Alaska benefit extensively from this state's market, including the economy generally, as well as state and city infrastructure;

(6) In contrast with the expanding harms caused to the city from this exemption of sales tax collection duties for remote sellers, the costs of that collection have fallen. 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 generally and Dillingham specifically.

(7) 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;

(8) 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;

**Section 3.** Amendment of Section 4.10.010. Section 4.10.010 of the Dillingham Code of Ordinances is hereby amended to read as follows: [additions are underlined, deletions are overstruck]

The city shall levy and collect a tax on sales, rents, and services provided within the city, pursuant to the provisions of AS 29.45.700(c) and AS 29.45.650 through AS 29.45.670, this Chapter and Chapter 4.23, to be deposited in the general fund of the city and used for general revenue for the city.

**Section 4.** Amendment of Section 4.10.020. Section 4.10.020 of the Dillingham Code of Ordinances is hereby amended to read as follows: [additions are underlined, deletions are overstruck]

When not clearly otherwise indicated by the context, the following words and phrases, as used in this chapter and in chapter 4.23, have the following meanings:

“Advertising” means services rendered to promote a product, service, idea, concept, issue, or the image of a person, including services rendered to design and produce advertising materials prior to the acceptance of the advertising materials for reproduction or publication, including research;

design; layout; preliminary and final art preparation; creative consultation, coordination, direction, and supervision; script and copywriting; editing; and account management services.

“Alcoholic beverage” means beverages that are suitable for human consumption and contain one-half of one percent or more of alcohol by volume. spirituous, vinous, malt or other fermented or distilled liquids, whatever the origin, that are intended for human consumption as a beverage and that contain alcohol.

“ATV” or “off-highway vehicle” means a vehicle designed or adapted for cross-country operation over unimproved terrain, ice or snow, and which has been declared by its owner at the time of registration and determined by the department to be unsuitable for general highway use, although the vehicle may make incidental use of a highway as provided in this title; it does not include implements of husbandry and special mobile equipment.

“Banking services” means deposit account services, loan transaction fees, transactions relating to the sale or exchange of currency or securities, transactions for conversion of negotiable instruments, safe deposit services, escrow collection services, late fees, overdraft fees, and interest charged on past due accounts.

“Boat” means a vessel used or capable of being used as a means of transportation on the water.

“Buyer” means a person to whom a sale of property or product is made or to whom a service is furnished and includes persons who are purchasers of personal or real property, rental space or services.

“Child care” means a regular service of care and education provided for compensation for any part of a day less than 24 hours to a child or children under 16 years of age whose parents work outside the home, attend an educational program or are otherwise unable to care for their children.

“Coin-operated machine” means a slot machine, marble machine, juke box, merchandise vending machine, laundry, dry cleaning and any other service dispensing machine or amusement device of any kind which requires the insertion of currency to make it operative.

“Drug” means a compound, substance or preparation, and any component of a compound, substance or preparation, other than “food and food ingredients,” “dietary supplements” or “alcoholic beverages:”

A. Recognized in the official United State Pharmacopoeia, official Homeopathic Pharmacopoeia of the United States, or official National Formulary, and supplement to any of them; or

B. Intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease; or

C. Intended to affect the structure or any function of the body.

“Dues, Membership and Subscription” means monies paid for the purpose of membership, or qualifying or becoming eligible for goods or services, or discounts to goods or services.

“Food stamps” means obligations of the United States government issued or transferred by means of food coupons or food stamps to enable the purchase of food for the eligible household.

“Fuel” means refined petroleum and petroleum-based products used for internal combustion engines and as the primary source for residential heating or domestic hot water. This may also include other types of fossil fuels as well as fuel sources that are renewable.

“Government” means the federal government and any agency or instrumentality thereof; any State and any agency or instrumentality thereof; any local government within a State, and any unit, agency, or instrumentality of such local government; any tribal government; any other governmental instrumentality.

“Hotel” means any structure, or any portion of a structure, which is used, occupied, intended or designed for occupancy by transients for dwelling, lodging or sleeping purposes, and includes any hotel, inn, tourist home or house, bed and breakfast, motel, home or house trailer at a fixed location, or other similar structure or portion thereof.

“Insurance” means a contract whereby one undertakes to indemnify another or pay or provide a specified or determinable amount or benefit upon determinable contingencies.

“Internet service” means a service that enables users to access proprietary and other content, information electronic mail, and the Internet as part of a package of services sold to end-user subscribers.

“Medical equipment and supplies, and prescriptions” means all medicines, medical goods or equipment prescribed by a health care provider licensed to practice in Alaska or any other state in the United States.

“Medical services” means those professional services rendered by persons duly licensed under the laws of this state to practice medicine, surgery, chiropractic, podiatry, dentistry, and other professional services rendered by a licensed midwife, certified registered nurse practitioners, and psychiatric and mental health nurse clinical specialists, and appliances, drugs, medicines, supplies, and nursing care necessary in connection with the services, or the expense indemnity for the services, appliances, drugs, medicines, supplies, and care, as may be specified in any nonprofit medical service plan. “Medical services” include hospital services.

“Monthly” means occurring once per calendar month.

“Newspaper” means a publication of general circulation bearing a title, issued regularly at stated intervals at a minimum of not more than two weeks, and formed of printed paper sheets without substantial binding. It must be of general interest, containing information of current events. The word does not include publications devoted solely to a specialized field. It shall include school newspapers, regardless of the frequency of the publication, where such newspapers are distributed regularly to a paid subscription list.

“Person” means and includes individual and every person recognized in law and every group of persons who act as a unit an individual, trust, estate, fiduciary, partnership, limited liability company, limited liability partnership, corporation, or any other legal entity.

“Professional services” means services performed by architects, attorneys-at-law, certified public accountants, dentists, engineers, land surveyors, surgeons, veterinarians, and practitioners of the healing arts (the arts and sciences dealing with the prevention, diagnosis, treatment and cure or

alleviation of human physical or mental ailments, conditions, diseases, pain or infirmities) and such occupations that require a professional license under Alaska Statute.

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

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

“Receive” means

- A. Taking possession of property;
- B. Making first use of services;
- C. Taking possession or making first use of digital goods, whichever comes first.

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

“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.

“Sale” or “retail sale” or “sale at retail” means any transfer of property for consideration for any purpose other than for resale, every sale or rental of real property or sale or rental of personal property (whether tangible or intangible), every sale or exchange of services, including barter, credit, lease, installment and conditional sales, for any purpose other than resale when such resale is made in the regular course of business and includes, but is not limited to the following transactions:

- a. Selling property; or
- b. Renting, leasing, or letting of real or personal property, accommodations, facilities, or services of any nature whatsoever; or
- c. Storing for use or consumption any item or article of personal property; or
- d. Rendering occupational or professional services of any nature whatsoever; or
- e. Furnishing materials and rendering services in connection therewith to accomplish the installation, construction, repair or completion of a specific end product or project; or
- f. Selling real estate comprising parcels of land and buildings or improvements thereto, either separately or conjunctively; provided, however, that an isolated sale of property by an owner not engaged in the real estate business shall not be taxable; but in the event a commission or other fee on such isolated sales is collected by a real estate agent or broker, the tax shall be applicable to the commission or service charge of the agent or broker; or
- g. Transfer of the product of a manufacture or construction process to the user of the product; or

h. Importing, or causing to be imported, property from outside the city for sale or for rent, storage, distribution, use or consumption within the city; or

i. Soliciting business, either directly or indirectly, as a representative or agent of a manufacturer, wholesaler, retailer, or distributor of merchandise or by the distribution of catalogs or other advertising matter or by any means whatever, and by reason thereof receiving orders for property from buyers or consumers for use, consumption or distribution for use, consumption or storage within the city; and the foregoing shall include every person who, as a representative, agent or solicitor receives and accepts orders from buyers or consumers from within the city for future delivery; or

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

k. Selling bingo cards or pull tabs; or

l. Every use or play of a coin-operated machine; or

m. Transacting or engaging in any type of business not enumerated herein.

#### “Sale within the City”

1. For the purpose of the tax levied by this chapter, a sale of personal property is made within the city if:

a. The sale is made by a business located within the city;

b. The sale is made by a seller located outside of the city as a result of solicitation inside of the city and payment or delivery occurs within the city;

c. The sale is made by a seller whose principal place of business is outside of the city if such seller maintains any office, distribution, sales house, warehouse or any other place of business or solicits business or receives orders through any agency, salesperson or other type of representative within the city.

2. For the purposes of the tax levied by this chapter, services are within the city if, regardless of the location of the business rendering the services:

a. The services, or any essential or substantial part thereof, are rendered within the city; or

b. The order for the services is solicited or received within the city or payment is received within the city, or the services are rendered by a business maintaining an office, agent, or employee within the city.

“Sales price” or “selling price” or purchase price means the total amount of any consideration paid by a buyer in terms of money and in the case of a sale involving an exchange of property and/or services, the fair market value of the property or services exchanged, including delivery or installation costs, means 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, but excluding the sales tax without any deduction for the following:

- A. The seller's cost of the property or product sold;
- B. 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;
- C. Charges by the seller for any services necessary to complete the sale, other than delivery and installation charges;
- D. Delivery charges;
- E. Installation charges; and
- F. Credit for any trade-in, as determined by state law.

"Seller" means and includes persons who are vendors of property, persons furnishing services, the lessors of rental space or goods, and all persons making sales including consignees and persons who conduct sales where items will be sold for a commission or fee or a marketplace facilitator facilitating sales on behalf of a seller.

"Services" means and includes all services of every manner and description which are performed or furnished for compensation of any kind, except services rendered to an employer by an employee, including but not limited to:

- 1. Professional services;
- 2. Services in which a product or sale of property may be involved including personal property made to order;
- 3. The sale of transportation services;
- 4. Services rendered for compensation by any person who furnishes any services in the course of their business or occupation;
- 5. Services wherein labor and materials are used to accomplish a specified result;
- 6. Commissions earned during business conducted within the city; and
- 7. Any other services including advertising, maintenance, recreation, amusement and craftsmen's services.

"Snow Machine" means a motor vehicle designed to travel over ice or snow, and supported in part by skis, belts, cleats, or low-pressure tires.

"Tax cap" means a maximum taxable transaction.

"Telephone service" means the providing by any person of access to a telephone network, telephone network switching service, toll service, or coin telephone services, or the providing of telephonic, video, data, or similar communication or transmission for hire, via a telephone network, toll line or channel, cable, microwave, or similar communication or transmission system.

"Transient" means any person who exercises occupancy or is entitled to occupancy by reason of concession, permit, right of access, license or other agreement for a period of thirty consecutive

calendar days or less, counting portions of calendar days as full days. Any such person so occupying space in a hotel shall be deemed to be a transient until the period of thirty days has expired unless there is an agreement in writing between the operator and the occupant providing for a longer period of occupancy, or the occupant has paid in advance for over thirty days' occupancy. In determining whether a person is a transient, uninterrupted periods of time extending both prior and subsequent to the effective date of the ordinance codified in this chapter may be considered.

"Transportation services" means the transportation of individuals for hire.

"Wholesaler" means a merchant who sells goods, in the regular course of his business, to retailers who sell to consumers, or sells goods in the regular course of his business to jobbers, dealers, or other wholesalers, for the purpose of taxable resale in the city. To qualify as a wholesaler, the merchant must be regularly recognized as such, and known to the trade as such.

"Wholesale sale" means a sale of goods by a merchant selling them in the regular course of his business; or a sale of goods by a merchant selling them in the regular course of his business at wholesale prices to jobbers, dealers, or other wholesalers for the purpose of taxable resale in the city. The term does not include a sale by a wholesaler to users or customers when such sale is not for taxable resale in the city.

**Section 5.** Repeal of Section 4.20.150. Section 4.20.150 of the Dillingham Municipal Code is hereby repealed in its entirety.

**Section 6.** Amendment of Section 4.20.210. Section 4.20.210 of the Dillingham Municipal Code is hereby amended to read as follows: [additions are underlined, deletions are overstruck]

A. It is unlawful for any seller who is required to obtain a certificate of authority to collect city sales tax:

1. To fail to obtain a certificate of authority within the time prescribed by this chapter.
2. To fail to file a return as required by this chapter, or fail to remit taxes collected or which should have been collected. The filing of an incomplete return is the equivalent of filing no return.
3. To falsify or knowingly misrepresent any record required by this chapter.
4. To deny the city permission to inspect records required to be kept by this chapter.

B. In addition to penalties for violations of this section set forth in Section 1.20.040, the city may recover by civil action the amount which the seller should have remitted to the city as sales tax, plus a late filing fee of twenty-five dollars per month, plus a penalty of ten five percent of the taxes collected but not remitted, or which should have been collected per month or fraction thereof until a total of 20% of delinquent tax has been reached. The city may also recover full actual reasonable attorney's fees in any action against a delinquent seller.

C. The city may also have any person or business that violates this section, or any vessel owned by any such person or business, placed on the city's denied services list using the procedures set forth in Chapter 4.40.

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

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

F. A penalty assessed under this section for the delinquent remittance of sales tax or failure to file a sales tax return may be waived by the City, upon written application of the seller accompanied by a payment of all delinquent sales tax, interest and penalty otherwise owed by the seller, within forty-five (45) calendar days after the date of delinquency. A seller may not be granted more than one (1) waiver of penalty under this subsection in any one calendar year.

**Section 7.** Amendment of Section 4.20.220. Section 4.20.220 of the Dillingham Municipal Code is hereby amended to read as follows: [additions are underlined, deletions are overstruck]

A seller who fails to remit payments in a timely manner shall be liable for interest charges of six fifteen percent per annum on the amount of delinquent taxes accruing from the due date until paid in full. Interest shall not accrue on any penalty imposed under Section 4.20.210(B).

**Section 8.** Adoption by Reference of Alaska Remote Sellers Sales Tax Code. The Dillingham Code of Ordinances is hereby amended by adopting a new Chapter 4.23 to read as follows:

Chapter 4.23

TAX ON SALES MADE BY REMOTE SELLERS

Sections

- 4.23.010 Scope
- 4.23.020 Copies on File
- 4.23.030 Definitions
- 4.23.040 Adoption of Alaska Remote Sellers Sales Tax Code
- 4.23.050 Delegation of Authority

4.23.010 Scope

This chapter applies only to sales made by remote sellers as defined herein.

4.23.020 Copies on File

At least five copies of the Alaska Remote Sellers Sales Tax Code shall be made available for public inspection at least fifteen days prior to the public hearing for adoption of this Chapter at the time and place set out in the notice published for the hearing of the ordinance. Copies shall be available for public review at the following locations: one copy at the office of the city clerk; one

copy at the city planning department; one copy at the city fire department; and, two copies at the city library. A person may request, and the city clerk shall provide, a copy of the code(s) at no more than cost.

#### 4.23.030 Definitions

A. When not clearly otherwise indicated by the context, the following words and phrases, as used in this chapter, have the following meanings:

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

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

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

“Goods for resale” means:

A. the sale of goods by a manufacturer, wholesaler or distributor to a retail vendor; sales to a wholesale or retail dealer who deals in the property sold, for the purpose of resale by the dealer.

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

C. Sale of personal property as construction material to a licensed building contractor where the property sold becomes part of the permanent structure.

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

- (a) Directly or indirectly, through one or more affiliated persons in any of the following:
  - (i) Transmitting or otherwise communicating the offer or acceptance between the buyer and remote seller;
  - (ii) Owning or operating the infrastructure, electronic or physical, or technology that brings buyers and remote sellers together;
  - (iii) Providing a virtual currency that buyers are allowed or required to use to purchase products from the remote seller; or
  - (iv) Software development or research and development activities related to any of the activities described in (b) of this subsection (3), if such activities are directly related to a physical or electronic marketplace operated by the person or an affiliated person; and
- (b) In any of the following activities with respect to the seller’s products:
  - (i) Payment processing services;
  - (ii) Fulfillment or storage services;
  - (iii) Listing products for sale;

- (iv) Setting prices;
- (v) Branding sales as those of the marketplace facilitator;
- (vi) Order taking;
- (vii) Advertising or promotion; or
- (viii) Providing customer service or accepting or assisting with returns or exchanges.

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

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

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

1. Has any office, distribution or sales house, warehouse, storefront, or any other place of business within the boundaries of the local taxing jurisdiction;
2. Solicits business or receiving orders through any employee, agent, salesman, or other representative within the boundaries of the local taxing jurisdiction or engages in activities in this state that are significantly associated with the seller’s ability to establish or maintain a market for its products in this state.
3. Provides services or holds inventory within the boundaries of the local taxing jurisdiction;
4. Rents or Leases property located within the boundaries of the local taxing jurisdiction.

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

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

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

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

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

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

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

“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.

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

- A. Professional services;
- B. Services in which a sale of property or product may be involved, including property or products made to order;
- C. Utilities and utility services not constituting a sale of property or products, including but not limited to sewer, water, solid waste collection or disposal, electrical, telephone services and repair, natural gas, cable or satellite television, and Internet services;
- D. The sale of transportation services;
- E. Services rendered for compensation by any person who furnishes any such services in the course of his trade, business, or occupation, including all services rendered for commission;
- F. Advertising, maintenance, recreation, amusement, and craftsman services.

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

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

#### 4.23.040 Adoption of Alaska Remote Sellers Sales Tax Code

The City adopts by reference the January 6, 2020 edition of all provisions of the Alaska Remote Sellers Sales Tax Code (including the definitional section included in section 4.23.030 above) and that portion of the Supplemental Definitions thereto not included in section 4.20.020.

#### 4.23.050 Delegation of Authority

The City hereby delegates the authority to administer and collect tax on sales made by remote sellers to the Commission including remote seller sales tax registration, exemption certification, collection, remittance, and audit authority.

**Section 9. Effective Date.** This ordinance shall be effective upon adoption. No obligation to collect tax resulting from adoption of this ordinance shall be applied retroactively.

PASSED and ADOPTED by a duly constituted quorum of the Dillingham City Council on May 8, 2020.



Alice Ruby, Mayor

[SEAL]

ATTEST:



Lori Goodell

Lori Goodell, City Clerk



Standard 1000