

Amendment #1 – Addresses Nonprofit organizations

Current Language in 5.30.050(A)(6): The sale of goods or services by churches or other religious organizations unless competing with private companies engaged in similar business;

Goal: Include language that allows for sales tax exemption for other 501(c)(3) organizations such as YKHC and AVCP. The city can choose to exempt either sales by these organizations, or sales to these organizations or both options. The following language reflects exemption for both sales by & sales to 501(c)(3) organizations.

Proposed new language for 5.30.050(A)(6): The sale of goods or services by or to organizations that the Internal Revenue Service recognizes as a tax-exempt organization in Section 501(c)(3) of the Internal Revenue Code; provided, that the sale or service by the organization is not for use in an “unrelated trade or business” of that organization, as that term is defined in Section 513 of the Internal Revenue Code.

Amendment #2 – Addresses Federally Recognized Tribes

Current Language in 5.30.050(A)(13): Sales and services to the United States, the State of Alaska or any political subdivision or agency of either;

Goal: Include language that allows for sales tax exemption on sales by or to federally recognized Indian tribes. Also

Proposed new language for 5.30.050(A)(6): Sales and services by or to the United States, the State of Alaska, and any of their agencies, instrumentalities, or political subdivisions and federally recognized tribes. This exemption does not apply to the following:

- a. Sales of gaming by federally recognized Indian tribes, political subdivision and municipalities.