

**CITY OF GUSTAVUS
ORDINANCE FY26-04**

**AN ORDINANCE FOR THE CITY OF GUSTAVUS PROVIDING FOR THE AMENDMENT OF
TITLE 4 CHAPTER 15 SECTION 030 IMPOSITION OF SALES TAX**

BE IT ENACTED BY THE GUSTAVUS CITY COUNCIL AS FOLLOWS:

- Section 1. Classification. This ordinance is of general and permanent nature and shall become a part of the City of Gustavus Municipal Code.
- Section 2. Severability. If any provisions of this ordinance or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and its application to other persons, or circumstances shall not be affected thereby.
- Section 3. Enactment. Now therefore, it is enacted by the Gustavus City Council that Title 4 Chapter 15 Section 030 to be amended as follows:

Bold and Underlined items are additions. Strikeout items are deletions.

TITLE 4 -

Chapter 4.15 -

Section 4.15.030

- (a) There shall be levied and collected a tax equal to three (3) percent of the selling price on retail sales, rentals made, and services performed within the city.
- (b) There shall be ~~no sales tax on any~~ **applied to any** sale subject to the room tax in [Section 4.14.030](#).
- (c) The taxability of a sale of goods is determined by the delivery of **or receipt of the goods in the city.** ~~tangible personal property.~~ The taxability of a rental ~~made~~ is determined by the place where the ~~service is performed or~~ rental property is located, ~~except as provided below,~~ **The sale of a service is subject to the sales tax if the service is provided or performed within the city.**
- (1) Where a buyer, **purchaser or customer** receives a service within the corporate limits of the City of Gustavus, and the service begins, or is conducted in any part, or ends therein, or where the buyer, **purchaser or customer** receives an entire service therein the sale is subject to the City of Gustavus Sales Tax.
- (2) A person who furnishes proof, in the form required by the city ~~treasurer clerk,~~ that **they have** ~~he has~~ paid the **sales** tax in some jurisdiction other than the city, on the sale of a service, is required to pay the city's sales tax to the extent {of the difference} of the amount of sales tax paid elsewhere and the amount of **sales** tax levied by the city. This paragraph applies to a sales tax in any taxing jurisdiction, whether inside or outside the state.

- (d) Every seller making sales, rentals or performing services subject to taxation under this chapter **or any facilitator of sales, rentals, or services who charges the total price to the buyer, purchaser, or customer,** shall collect **the sales tax** ~~taxes~~ imposed by this chapter from the buyer, **purchaser, or customer** at the time of collection and shall transmit the same, monthly, to the city.

Section 4. Effective Date. This ordinance becomes effective upon its adoption by the Gustavus City Council and ratification by the voters in the October 2025 municipal election.

Date Introduced: August 11, 2025

Date of Public Hearing: September 8, 2025

PASSED and **APPROVED** by the Gustavus City Council this 11th day of August, 2025.

Sally A. McLaughlin, Mayor

Attest: Liesl M. Barker, City Clerk