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### 3.20.360 Elders' or disabled citizens' sales tax exemptions.

- A. Elders or disabled citizens who are residents of the city may apply for, and be issued by the finance director, an elder's or disabled citizen's sales tax exemption card, which entitles the cardholder to be exempt from sales tax for the sales of goods, services and rentals, with the exception of sales of alcoholic beverages under Section 3.20.070 of this chapter and all tobacco products.
- B. Elders or disabled citizens must meet the following requirements:
  - 1. The elder is a resident of the city and at least sixty-five years of age, with no grandfather rights; or,
  - 2. The disabled citizen is a resident of the city and is one hundred percent disabled by virtue of the disability standards of the Social Security Act of the United States.
- C. No person issued or authorized to use an elder's or disabled citizen's sales tax exemption card may use it to obtain such tax exemption when the sales, services or rentals are for use in any trade or business or for purchases for which the cardholder is reimbursed or remunerated by a person or entity on whose behalf the purchase was made and who would not otherwise qualify for a sales tax exemption or when the sales, services or rentals are used or consumed by any person other than the cardholder or his or her spouse.
- D. If an elder or disabled citizen who is authorized to obtain a sales tax exemption card is physically unable to leave his or her home or dwelling to use the card, the elder or disabled citizen may request a hearing with the finance director. At the hearing with the finance director, proof of the disability must be presented. Such proof may consist inter alia of documentation by a physician, which states that the elder or disabled citizen is unable to leave his or her home or dwelling to use the card. If the inability to leave the home or dwelling to use the card is proved by a preponderance of the evidence, the finance director shall so note on the reverse side of the exemption card and designate one other person who may use the card for the benefit of the elder or disabled person.
- E. No seller shall charge or collect a sales tax on sales to any elder or disabled citizen who displays a valid sales tax exemption card to the seller at the time of the sale unless the seller knows, or has reason to believe, that the card is being presented in violation of this section. The seller shall report any such violations or abuse to the city as soon as possible.
- F. A violation of this section is punishable by a civil penalty of up to three hundred dollars and, additionally, the sales tax exemption card used in violation must be surrendered to the finance director for cancellation and destruction. The penalty assessed shall be collectible as set forth in this chapter. A person who has had his or her tax exemption card cancelled and destroyed shall not be eligible to apply for or receive a new sales tax exemption card for a period of two years.
- G. An elder or disabled citizen: (1) denied a sales tax exemption card; (2) denied a representative designation, as set forth in subsection D of this section; or, (3) whose card is cancelled and destroyed and who is assessed a penalty, may appeal such decisions of the finance director to the city manager as provided in Section 3.20.390 of this chapter.
- H. All elder's or disabled citizen's sales tax exemption cards issued prior to the enactment of this revised Section 3.20.360 shall become void and new cards shall be issued annually to all eligible elders and disabled citizens. The finance director shall assign a unique number to each elder and disabled citizen sales tax exemption card. The finance director shall establish procedures for the annual renewal/issuance of these tax exemption cards. A nominal fee of five dollars shall be charged for cards issued and/or reissued on or after January 1, 2018.
- I. "Resident of the city" for purposes of B.1 or B.2, above, means the person is domiciled in Kotzebue. Proof of such may be shown by voter registration, address on driver's license, address on motor vehicle registration, real property ownership in Kotzebue, residential rental lease with the name of tenant and landlord and

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contract terms, income tax returns, current utility bills, automobile insurance (showing where vehicle is garaged), cellular phone bill, credit card statement and/or United States Postal Service confirmation of address change request. Proof of residence is determined on a case-by-case basis and the quality and quantum of proof may vary from case-to-case, but residence in Kotzebue means that a person has established a permanent residence in Kotzebue.

(Ord. No. 04-10 § 2 (part), 2004).

(Ord. No. 09-02(Amd.), § 4(Exh. C), 9-18-2008; Ord. No. 17-08, § 5 (Exh. B), 6-8-2017)