(13) Retail sales, services, and rentals of real or tangible personal property to or by the state, a Rural Education Attendance Area or like entity, a federally recognized Indian tribe, or a municipality. This exemption does not apply to the following:

(a) Sales of pull-tab games by federally recognized Indian tribes, political subdivisions and municipalities; or

(b) Retail sales, services, and rentals of real and tangible personal property by the City and Borough listed in this subsection (13)(b):

1. Bartlett Regional Hospital sales, services and rentals;
2. Capital transit passenger fares and passes;
3. Sales of municipal real property, gravel and minerals;
4. Parks and recreation department sales, services and rentals;
5. Eaglecrest ski area sales, services and rentals;
6. Hagevig Fire Training Center sales, services and rentals;
7. Juneau International Airport sales, services and rentals;
8. Sewer utility and water utility sales, services and rentals;
9. Port and harbor sales, services and rentals authorized by title 85 of this Code.

Purchases by the departments, instrumentalities or agencies which are directly operated and controlled by the Federal, State and Municipal government or a federally recognized Indian tribe are not subject to the sales tax providing the charges are paid directly by the governmental entity. The government entity pays the charge when:

- The retailer bills the government directly from a purchase order;
  - The seller must document the purchase order number
- The government employee pays by government check or warrant;
  - The seller must document the check number & entity name
- For the Federal government, a federal employee pays by government credit card and the federal government is billed directly by the credit card company.
  - The seller must document the first four digits and the 6th digit of the credit card number—see following pages for more info.
- For the State of Alaska, a state employee pays by government credit card and the State of Alaska is billed directly by the credit card company.
  - The seller must document the first six digits of the credit card number—see following pages for more info.
- For the City and Borough of Juneau, a city employee pays by government credit card and the City and Borough is billed directly by the credit card company.
  - The seller must document the first six digits of the credit card number—see following pages for more info.
- For the Juneau School District, a school district employee pays by school district credit card and the Juneau School District is billed directly by the credit card company.
  - The seller must document the first eight digits of the credit card number—see following pages for more info.
- For a federally recognized Indian tribe, an employee pays by credit card and the federally recognized Indian tribe is billed directly by the credit card company.
  - The seller must document the credit card number—see following pages for more info on Central Council Tlingit & Haida Tribes of Alaska credit cards

Cash sales to employees or representatives of the government or the federally recognized Indian tribe are not exempt even though the employee may be reimbursed.

Credit card charges: The Federal Government, State of Alaska, Central Council Tlingit & Haida Indian Tribes of Alaska and the City and Borough of Juneau have instituted credit card programs to increase efficiency in their purchasing. Only specific credit card accounts that are billed directly to the government by the credit card companies qualify as sales to the government.

The Federal Government GSA SmartPay credit card program has three primary types of types of credit cards:
- **GSA SmartPay Purchase Card**—this account is a CBA, meaning that the federal government makes direct payment for purchases on the account.
  - Purchases made on a GSA SmartPay Purchase Account are exempt from CBJ Sales Tax.
    - See the following for identifying card info.

<table>
<thead>
<tr>
<th>Federal Government GSA SmartPay Purchase Card</th>
<th>First four digits must be:</th>
</tr>
</thead>
<tbody>
<tr>
<td>GSA SmartPay Purchase Card</td>
<td>Visa 4614, 4715, 4716</td>
</tr>
<tr>
<td></td>
<td>MasterCard 5565 or 5568</td>
</tr>
</tbody>
</table>

- **GSA SmartPay Integrated Account**—this account is a CBA meaning that the federal government makes direct payment for purchases on the account.
  - Purchases made on a GSA SmartPay Integrated Account are exempt from CBJ Sales Tax.
    - See the following for identifying card info.
GSA SmartPay Integrated Account

<table>
<thead>
<tr>
<th>1st four digits must be:</th>
<th>Mastercard: 5565</th>
<th>Visa: 4614</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax Exempt:</td>
<td>Yes</td>
<td></td>
</tr>
</tbody>
</table>

- **GSA SmartPay Travel Card** – the Travel card has three options: A CBA, IBA and a combination called a Tax Advantage Travel Account.
  - Purchases made on a CBA SmartPay Travel Card are exempt from CBJ Sales Tax.
    - See below for identifying card info.
  - Purchases made on an IBA SmartPay Travel Card are **not** exempt from CBJ Sales Tax.
    - See below for identifying card info.
  - Only certain purchases on the Tax Advantage Travel Account are exempt from CBJ Sales Tax.
    - Only lodging & rental car charges are exempt.
    - See below for identifying card info.

<table>
<thead>
<tr>
<th>GSA Smart Pay Travel Cards</th>
<th>CBA / Centrally Billed</th>
<th>IBA / Individually Billed</th>
<th>Tax Advantage Travel Account</th>
</tr>
</thead>
<tbody>
<tr>
<td>Example Cards:</td>
<td><img src="image" alt="CBA Card" /></td>
<td><img src="image" alt="IBA Card" /></td>
<td><img src="image" alt="Tax Advantage Card" /></td>
</tr>
<tr>
<td>1st four digits must be:</td>
<td><strong>Mastercard</strong>: 5565, 5568</td>
<td>Visa: 4486, 4614, 4615, 4716</td>
<td>Same</td>
</tr>
<tr>
<td>6th Digit must be:</td>
<td>0, 6, 7, 8, 9</td>
<td>1, 2, 3, 4</td>
<td>5</td>
</tr>
<tr>
<td>Tax Exempt?</td>
<td>Yes</td>
<td>No</td>
<td>Only lodging &amp; rental cars</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>State of Alaska</strong></th>
<th><strong>Alaska Housing Finance Corp (AHFC)</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Credit cards qualifying for sales tax exemption</strong></td>
<td><strong>Credit cards qualifying for sales tax exemption</strong></td>
</tr>
<tr>
<td>US Bank Visa</td>
<td>US Bank Visa</td>
</tr>
<tr>
<td>First six digits are:</td>
<td>First four digits are:</td>
</tr>
<tr>
<td>4485 59</td>
<td>4886</td>
</tr>
</tbody>
</table>
| **University of Alaska System**  
*Credit cards qualifying for sales tax exemption* |
|---|
| JP Morgan  
Mastercard  
First six digits are:  
5567 08  
“Tax Exempt” on bottom of card |

| **City & Borough of Juneau**  
*Credit cards qualifying for sales tax exemption* |
|---|
| JP Morgan Chase  
Visa  
First six digits are 4715 63 |

| **Juneau School District**  
*Credit Cards qualifying for sales tax exemption* |
|---|
| Bank of Montreal  
First eight digits are:  
5550 0800 or 5569 3500  
CBJ-JSD TAX92-6000101 printed under cardholder’s name |

| **Central Council Tlingit & Haida Indian Tribes of Alaska**  
*Credit cards qualifying for sales tax exemption* |
|---|
| Costco Visa  
First 8 digits are  
4100 4004 |
| Visa  
First four digits are 4808 |

Any other personal credit cards.

Purchases made by Correctional Officers on behalf of the prison inmates. Employees of the State Department of Corrections may not claim exemption from the sales tax when shopping for prison inmates when the goods become the personal property of the inmates and are paid for with the inmate’s personal funds.

Government employees paying room charges under per diem arrangements do not enjoy the government exemption. Travel orders and exemption certificates are not acceptable as documentation. Room charges must be billed directly to the government agency in order to qualify for the exemption. Sales of HUD homes and rental of re-possessed properties are exempt.