

ADMINISTRATIVE GUIDELINES
Nonresident Sales Tax Exemption Card
Procedure 419

Please note: CBJ 69.05.040(19) was repealed June 30, 2006.

Nonresidents of the City and Borough of Juneau (CBJ) may purchase a nonresident sales tax exemption card to exempt from the CBJ sales tax their purchases of items that will be first used or consumed outside of CBJ's taxing jurisdiction. Qualifying nonresidents of the CBJ may request a nonresident card in person or by mail, but cards will only be issued by mail, with certain limited exceptions. During certain periods, cards will be made available on a walk in basis at the written request of the City Manager. These periods are intended to provide nonresident visitors with an opportunity to acquire exemption cards while attending regional events held in Juneau.

69.05.040 EXEMPTIONS. The tax levied under this chapter shall not apply to the following:

(19) Sales to nonresidents of the city and borough of goods to be used outside the city and borough, or services rendered to tangible personal property to be used outside the city and borough, who display a nonresident sales tax exemption card and other personal identification at the time of purchase but excluding nonresidents who reside within the city and borough temporarily.

HOW TO OBTAIN A CBJ NONRESIDENT CARD:

Cards are valid on an annual basis covering July 1 to June 30. The card cost is \$20.00. Each year, the sales tax office will mail new applications to current cardholders. If you don't receive a new application, please call the Sales Tax Office at (907) 586-5265. Applications and instructions will also be available on our Internet web site at www.juneau.lib.ak.us/finance/forms.htm. Completed applications, payment (please do not send cash), and supporting documentation are to be mailed to the CBJ Sales Tax Office, 155 South Seward, Juneau, AK 99801.

Required documentation to be included with your application:

Photocopies only – Do NOT Send Originals

Individuals:

One picture identification such as: Driver's License, State issued identification card, Military identification, Passport, Green Card, and one of the following:

Please note: If the picture identification you are sending with your application does not have your current home address, you will be required to submit two of the following:

1. Voter registration card
2. Recent utility bill

3. Hunting or fishing license
4. Motor Vehicle Registration
5. Original envelope from recently received mail at your home address
6. Pilot's license
7. Gun permit

Please note: Your current home address must be shown on the above documents to be acceptable documentation for submission with your nonresident card application.

Business Entities:

State issued business license or State issued commercial fishing permit.

Please note: Purchases must be made on the company's account or paid with a company check. Cash purchases with this card do not qualify for exemption.

WHO QUALIFIES:

Individuals:

Persons who can provide adequate documentation that they are a nonresident of the City and Borough.

Business Entities:

A business entity may qualify for exemption from the sales tax as a nonresident if the following conditions are met:

1. The business entity has no local office or representatives.
2. Qualifying purchases are made on the company's account or paid with a company check.

WHO DOES NOT QUALIFY:

Nonresident individuals who temporarily reside within CBJ do not qualify for the nonresident cards. Applicants that are planning on being in CBJ for a total of 30 days in any 60 day period are considered a temporary resident and do not qualify for the nonresident card.

Nonresident sales tax exemption cards are not transferable to others, including family members.

WHAT QUALIFIES FOR PURCHASE WITH THE NONRESIDENT CARD:

The card exempts from the CBJ sales tax only the purchase of:

1. Goods (tangible personal property) which are to be first used outside the Borough; and
2. Services performed on personal property that is then removed from the Borough before use.

All items must be removed from CBJ before use or consumption.

Examples: Clothing, bulk purchases of groceries, appliances, furniture, vehicles, etc. or repairs made to your personal vehicle.

Please note: The above list is not meant to be all inclusive. If you have questions on whether your transaction would qualify, please contact the CBJ Sales Tax Office at 586-5265.

WHAT DOES NOT QUALIFY FOR PURCHASE WITH THE NONRESIDENT CARD:

Food or beverages purchased for consumption within CBJ, car rental, hotel/motel room, taxi or bus fare, beautician or barber services, laundry or dry cleaning services, etc.

Please note: The above list is not meant to be all inclusive. If you have questions on whether your transaction would qualify, please contact the CBJ Sales Tax Office at 586-5265.

NONRESIDENT CARD HOLDERS RESPONSIBILITIES:

A Nonresident Sales Tax Exemption Card must be obtained before making a qualifying purchase. Exemptions are not retroactive.

The cardholder must separate purchases at the check-out counter between taxable and tax exempt as stated above.

The cardholder must present the card and a second piece of identification as specified on the front of the card to the merchant before the transaction is completed.

Lost cards will not be replaced. A new card may be acquired by completing a new application.

The cardholder must sign the appropriate exemption log provided by the Merchant for the purchases made under the card.

Nonresident card numbers will not be given out by the Sales Tax Office to a Merchants or a cardholders.

MERCHANT RESPONSIBILITIES FOR NONRESIDENT PURCHASES:

The merchant must:

Verify the nonresident card has not expired, and

Verify the individual presenting the card is the cardholder by viewing the secondary piece of identification as noted on the card, and

Record the date of the sale, sale amount, card number and secure the signature of the nonresident cardholder.

This documentation must correspond with the amount reported on the CBJ sales tax return and must be maintained for a period of three years from the date the corresponding sales tax return is filed with CBJ.

Nonresident card numbers will not be given out by the Sales Tax Office either to a Merchant or a cardholder.

WHEN IS A NONRESIDENT CARD NOT REQUIRED:

A nonresident card is not necessary when an order for tangible personal property (goods) is called in or ordered from outside CBJ and the tangible personal property is sent by common carrier from the point of purchase to a location outside the City and Borough. This type of sale is administered under CBJ 69.05.040 (3), the out-of-borough sale of goods exemption.

Under the out-of-borough sale of goods exemption, if the order is placed within CBJ or if the purchaser takes possession of the goods within CBJ, the sale does not qualify for exemption.

The merchant is required to document the sale by keeping a phone or order log and maintaining shipping or postal receipts, airbill, etc.

The out-of-borough exemption does not apply to services called in or ordered from outside CBJ where the service provider is performing the services while in CBJ.

CBJ 69.05.040(19)

CBJ 69.05.040(3)

CBJ 69.05.050(b)