



CITY OF NOME

OFFICE OF THE CITY CLERK/TREASURER

102 Division Street ~ P.O. Box 281

Nome, Alaska, 99762

(907)443-6663 ~ (907)443-5435 fax

INFORMATION FOR NEW MERCHANTS

Sales Tax Rate 5%

Hotel/Motel Room Tax Rate 6%

CONGRATULATIONS on your new business venture in the City of Nome. The City Clerk's Office hopes this brief outline will acquaint you with your obligations under the sales tax ordinance.

WHO MUST REGISTER? (NCO 17.010.10, 17.10.060, 17.30.030)

All individuals, firms, or business entities must register with the City Clerk's Office before making sales, rendering services, or making rentals with the City of Nome.

"Retail Sales transaction" means any sale, lease, rental transfer or assignment of any right, title or interest in any goods, personal property or real property and any provision of labor or services, for valuable consideration, for any purpose except resale without alteration by a buyer presenting a resale certificate issued pursuant to Section 17.10.190 of this chapter applicable to the sales or service transaction.

"Seller" means every person making a retail sale transaction to a buyer or consumer, every person renting real or personal property, and every person performing services, for valuable consideration.

YOU HAVE NOW ACCEPTED THE RESPONSIBILITY TO COLLECT SALES TAX:

All merchants are required to collect sales tax, at the time of purchase, at the rate of 5% on all sales of goods, all services, and tangible personal property.

An additional tax of 6% will be collected on all room rentals (stays of less than 28 days duration). This means hotel/motel/bed & breakfast rooms are taxed at the rate of 11%.

Under the sales tax ordinance, there are several exemptions from the sales tax. It is the responsibility of the "buyer" to provide proper documentation to the merchant that a sale would be exempt from the sales tax. It is the merchant's responsibility to document the exempt transaction.

REPORTING REQUIREMENTS (NCO 17.10.070, NCO 17.10.080)

Filing of Tax Returns and Payment of Tax- For each separate business entity, a seller shall complete a Nome sales tax return reporting in a manner established by the form, all retail sales transactions during the preceding calendar month, regardless of whether or not the same tax has been collected from the buyer.

Return Due- Monthly sales tax returns are due the 20th of the month following the end of each calendar month. If the 20th day of the month falls on a weekend or holiday, the deadline is extended to the next business day.

RECORD KEEPING AND AUDITING

Failure to maintain adequate records to support exemptions claimed will result in the loss of deduction for that particular transaction. A seller shall make available for review all relevant records, books and other documents upon request by the City Clerk.

CHANGES IN ADDRESS OR OWNERSHIP (NCO 17.10.090)

Please notify the City Clerk's Office of any changes to the information provided on the application form. This will ensure timely mailings and data integrity.

Termination of the Business – A final sales tax return must be filed within 15 days of closing as well as settlement of all tax obligations pertaining to terminated business.

Sale of Business—Successor liability (17.10.090) – The seller return is due within 20 days of the sale or transfer. The buyer will be liable for any unpaid tax, penalty and interest on account of the business operations of the former owner.

RESPONSIBILITIES OF THE MERCHANT

It is your responsibility to comply with the laws and regulations that pertain to the business environment in which you operate. We have included in your application packet the most recent copy of Chapter 17.10 Sales Tax and Chapter 17.30 Hotel/Motel Room Tax. Please review all the information in your packet. If you are still uncertain of how the tax applies in general or to specific transactions please login to our website at www.nomealaska.org to access the Nome Municipal Code or call or write the City Clerk's Office, City of Nome, P.O. Box 281, Nome, Alaska 99762; 907.443.nome (6663); clerk@ci.nome.ak.us.

We appreciate your efforts in collecting and remitting sales tax in compliance with our municipal code. Please contact the City Clerk's Office for answers to your questions.

Thank You!