

KENAI PENINSULA BOROUGH

144 N. BINKLEY · SOLDOTNA, ALASKA · 99669-7520
(907) 714-2175 or 1-800-478-4441 ext 2175 (within the KPБ)
EMAIL: SALESTAX@KPБ.US
WEB SITE: <http://www.kpb.us/salestax>

Sales Tax Return Instructions

Please read all instructions. Incomplete or improperly prepared Sales Tax Returns cannot be processed and may result in late penalties and interest.

General Information

Request to Pre-file: If your business is **NOT** conducting business for a short period of time (less than one-year) and your account is in compliance with KPБ 5.18, you may pre-file no sales figures for future periods. To do so, you are required to specify the **From – Thru Periods: (MM/YYYY)**. Enter the first and last period you will **not** be conducting business.

Business Sold/Closed: If you have sold or permanently closed your business, please check the box. Indicate the date the business was sold or closed (MM/DD/YYYY). If the business was sold, please indicate to whom you sold the business.

Return Has No Sales: A return **must** be filed even if there were no sales for the reporting period. If you had no sales for the reporting period, please check the box. It is not necessary to write zeros in sales areas. Please do not write across the front of return.

Filing Period/Registration #/DBA: If you are using a blank form, complete the Filing Period, Registration #, and Business Name for both front **and** back page. If boxes are prefilled, do **not** alter in any way.

Reporting your Sales To the Kenai Peninsula Borough

ALL Sales MUST be entered under Jurisdiction 99. This includes sales both within and outside of city limits and outside of the borough.

If sales have been made within city jurisdiction(s): refer to the Jurisdiction Code Box to enter sales for each city under the remaining columns provided. Additional columns are provided on the back of the form.

Jurisdiction Code: In each column, enter the jurisdiction code for which you will be reporting sales. Indicate the “Jurisdiction Code” and “Sales Tax Rate” using the table provided on the form.

1. **Gross Sales:** All sales made during the reporting period.
 - This figure should **not** include the sales tax collected.
 - Round only Sales figures to nearest dollar
Round \$.50 up to \$1.00 and \$.49 down to \$0.00
2. **Non-Taxable Sales:** These are sales which are included in the gross sales figure (line 1) and are exempt from the tax for the following reasons:
 - A) **Sales outside the Borough:** Report those sales that originated and ended outside the Kenai Peninsula Borough
 - B) **Sales for Resale:** Goods and services sold to another business, which will resell the same goods or services. **Note:** The buyer **must** present a resale card when the sale occurs.

- C) **Government Agencies:** Sales to Federal, state, or local government agencies are exempt. Report all sales to such entities here. The entity’s name should be noted on the invoice.
 - D) **Excess of individual sales over \$500:** Enter the amount of individual sales in excess of \$500. Example: If an individual sale is \$900, the excess over \$500 is \$400. **Note:** This does not apply to recreational sales.
 - E) **Nonprepared Food:** If sales have been made within a jurisdiction **AND** the city exempts nonprepared food, enter the total sales made within that jurisdiction under the appropriate jurisdiction column. If the jurisdiction does **NOT** exempt nonprepared food, no sales will be entered as a deduction for that jurisdiction. **This exemption only applies for sales made from September 1st – May 31st.**
 - F) **Other:** If there are other items not specifically listed in A-E, and are deemed non-taxable per KPБ 5.18.200, enter the amount here and specify the exemption in the space provided.
 - G) **Total Non-Taxables:** Add lines 2(A) through 2(F).
3. **Taxable Sales:** Gross sales (line 1) minus Total Non-Taxable Sales (line 2(G)).
 4. **Tax Rates:** Refer to the jurisdiction code box to find the corresponding tax rate for each jurisdiction. Enter the rate here. **Note:** Rates are split to represent city portion separately from borough rate of 3%.

DO NOT ROUND ANY FIGURES BEYOND THIS POINT.

5. **Sales Tax:** Multiply line 3 times line 4.
6. **Total Sales Tax:** Enter the total of all Sales Tax due (total of line 5 for all jurisdictions, front and back).
7. **Adjustments:**
 - A) **Credit for Prompt Remittance:** If a return is filed and paid by the due date and your sales tax account does not have a balance due or missing filing, multiply the tax on line 6 by 5% (not to exceed \$1,000 per quarter).
 - B) **Penalty for Late Remittance:** If the return is late a penalty of 5% per month of line 6 will be assessed, to a maximum of 10%.
 - C) **Interest/Other:** If the return is more than one month late, interest on line 6 is due at a rate of .833% per month. Other adjustments to the tax should be reported here along with a detailed explanation.
 - D) **Previous Balance Due:** Enter prior balance due here.
8. **Total Due:** From line 6 subtract line 7A, add lines 7B, 7C, and 7D, if applicable.
9. **Total Remitted:** Total amount of payment remitted.

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CHANGES TO THE SALES TAX RETURN FORM

- The format of the form has been changed from landscape to portrait layout.
- Location of Pre-file Box: This box has moved from the upper right to the top left portion of the return form.
- Location of Business Sold/Closed Boxes: Closed business and business sold boxes are now located just below the pre-file box on the upper left side of the form.
- Corrected and Amended Boxes: These boxes are now located below the No Sales checkbox. NOTE: A CORRECTED return is one that **replaces** a previously filed return for a specific period. An AMENDED return is one that **adjusts** a previously filed return for a specific period.
- The DUE BY: MM/DD/YYYY field has been moved from the upper left side of the form to the upper right side of the form, directly below the DBA: field. The filing frequency_(annually, quarterly, or monthly) will be displayed directly below the due date.
- The Jurisdiction Code and Rate Table has moved from the lower center section on the front of the form to the lower left corner of the form on both the front and back.
- The Notes box has moved from the back of the form to the lower right section on the front of the form.