



# NEWS NOTES

2023 Quarter 4

## MEET YOUR AMSTP SALES TAX TEAM

During the past year, the Alaska Municipal Sales Tax Program (AMSTP) welcomed Carla Mahoskey as our Tax Compliance Accountant who focuses on audit inquiries and Layla Fox as our Tax Technician who assists with our financial reconciliation and seller outreach. Together, we better serve our member communities and meet the needs of sellers.



**Clinton Singletary**

Sales Tax Program Director

Clinton has been director of AMSTP since 2021. He spends his free time on mini-adventures and camping with his wife and five-year old son along the beautiful shoreline of southeast Alaska. He enjoys Deadliest Catch and the excitement of the fishermen crabbing in the Bering Sea.



**Kara Johnson**

Sales Tax Administrator

Kara began at AMSTP in 2020. Outside of work, she is subsistence harvesting, hiking mountain trails, or cross-country skiing with her dog. She likes to watch Alaska: The Last Frontier about a homestead family on the Kenai Peninsula or Building Alaska to learn construction tips.



**Carla Mahoskey**

Tax Compliance Accountant

Carla puts her expertise in business administration to use as she follows up with businesses to clarify exemptions. Outside of the office, she travels and visits her family. She appreciates Ice Truckers that shows what it takes to get supplies to remote places in adverse conditions.



**Layla Fox**

Sales Tax Technician

In addition to being our frontline person for sellers, Layla wears lots of other hats as a mom, student, hairdresser, and dog lover. When she has a free moment, she is out hiking the hills. She loves Gold Rush and watching people try to live the Alaska dream of striking it rich near Nome.

## Resale Certificates and Shipping Through Washington

The Alaska Remote Seller Sales Tax Commission (ARSSTC) [provides resale certificates](#) upon request for accounts in good standing. Certificates are valid for the calendar year and must be renewed each year. The ARSSTC resale certificate number [**NOT** the ARSSTC account number] may be used on the Multistate Tax Commission (MTC) [Uniform Sales & Use Tax Resale Certificate](#) which is



accepted by Washington state (i.e., **if you ship to the barge in Washington and are charged sales tax – you want to get this resale certificate**). Any local jurisdiction resale certificate number can also be used on the MTC resale certificate.

## ARSSTC setup in Avalara

Does your business use Avalara tax compliance software? Did you know that we have a [guide about how to set up in Avalara for an Alaska remote seller](#)? We know that it can be confusing because Alaska does not have a state sales tax. If you use Avalara, we ask that you take a few minutes to double check your settings:

- Make sure you have all the [remote sales tax jurisdictions](#) “turned on” (don’t turn on all of Alaska, ARSSTC cannot accept tax for non-member jurisdictions).
  - o ARSSTC sends out notices of new jurisdictions that adopt the remote sales tax rules. It is the responsibility of the business to “turn on” the jurisdiction in Avalara – Avalara will not do this for you.
- On the tax form side, have ONLY the US-AK-RSR form (unless you have physical presence in a jurisdiction).
  - o Having a jurisdiction-specific tax form means the jurisdiction receives a paper filing. This creates confusion between jurisdictions and ARSSTC in verifying which is the valid filing and if a business indeed has physical presence in the jurisdiction.
- When the US-AK-RSR form is listed but the jurisdiction is not “turned on,” Avalara does not collect sales tax and files \$0 gross sales with ARSSTC. Upon audit inquiry, if it is determined there were valid sales, the business is required to amend all returns to report and remit the sales tax owed (even though it was not collected).

## Nested Jurisdictions

When reporting sales into either the Kenai Peninsula Borough or Ketchikan Gateway Borough, please note these taxing boroughs have taxing towns within them (we call these nested jurisdictions). There are two taxes collected: the town tax and the borough tax. Any sales into the taxing towns must be reported on both lines with ARSSTC (including any exemptions). This creates an artificial duplication of the sales tax reported, but the tax will be calculated correctly by the filing system. Amended returns must reflect changes to both the nested town and its borough. The borough filing must be equal or greater than the sum total of the taxing towns. [More information about nested filing can be found here.](#)

### Sales Tax Updates

**City of Cordova:** increased sales tax rate from 6% to 7% and tax cap from \$3,000 to \$5,000 effective 2/1/2024\*.

**City and Borough of Juneau:** increased tax cap from \$12,800 to \$14,300 (max tax \$715) effective 1/1/2024.

**City and Borough of Sitka** had a sales tax holiday on 11/24/2023 and 11/25/2023.

\* Tax code changes effective 1/1/2024 per ordinance but 2/1/2024 for remote sellers due to 30-day notification