

No 5% Tax Outside of Borough

By MARGIE BAUMAN

FAIRBANKS — If you live outside of the Fairbanks North Star Borough and are buying items for final use beyond the borough boundaries, you don't have to pay the five per cent borough sales tax.

All you have to do is obtain a card called a "seller's agent certificate," from the borough revenue office in the Lathrop Building, 510 Second Avenue, Fairbanks.

To get the card, you simply go to the revenue office and fill out an affidavit which states that you live beyond the borders of the borough and that items purchased with the certificate are not intended for use and consumption within the borough.

The little known North Star Borough Assembly ordinance authorizing the tax exemption for non-residents of the borough was passed on May 9, 1974 and became effective the following

day.

Jack Caldwell in the Borough Revenue Office said that the action of the borough assembly was publicized. However, Caldwell also acknowledged that to date only 240 individuals or firms have applied for and received the seller's agent certificate.

An employee of the revenue office, uncertain whom the special tax action was meant to serve, recently tried to talk a tourist out of applying for the certificate, on grounds it was intended for low-income residents of Alaska.

The visitor later returned and obtained the certificate, assured by Caldwell that there were no economic overtones connected with passage of the ordinance.

In fact, Caldwell said at least ten per cent of the seller's agent certificates have been issued to business firms, most of them

(Continued on Page 6)

Borough Tax . . .

(Continued from Page 1)

associated with the Alyeska Pipeline Service Co.

Caldwell said that Usibelli Coal Mines Inc. had been careful to advise its employees living outside of the borough of the tax break.

Apparently, however, few residents of rural Alaska who do a great deal of shopping in Fairbanks have been made aware of of the exemption available to them.

This would include too the boarding home students who have Fairbanks as a temporary residence while attending school eight months of the year.

Provided one is at least 18 years of age, has a permanent residence outside of the borough and is willing to sign papers stating articles purchased with the certificate are not intended for use and consumption in the borough, the tax break is there for the asking.